

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

Mr. VAN NUYS, from the Committee on the Judiciary, to which was recommitted the nomination of Victor E. Anderson, of Minnesota, to be United States attorney for the district of Minnesota, vice George F. Sullivan, reported favorably thereon.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters.

The PRESIDING OFFICER (Mr. GILLETTE in the chair). The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

THE CALENDAR—POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters on the Executive Calendar be confirmed en bloc, with the exception of the nominations of West Virginia postmasters, on which action was postponed last week.

The PRESIDING OFFICER. Without objection, the nominations on the Executive Calendar, other than the West Virginia nominations, are confirmed en bloc.

That completes the Executive Calendar.

MESSAGE FROM THE HOUSE—ENROLLED JOINT RESOLUTION SIGNED

The Senate resumed legislative session.

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled joint resolution (H. J. Res. 525) to make the existing appropriations for mileage of Senators and Representatives immediately available for payment, and it was signed by the Vice President.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 22 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, December 7, 1937, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 6 (legislative day of November 16), 1937

POSTMASTERS

PENNSYLVANIA

Orabel Rarick, Barnesville.
Hazel E. Hetrick, Beavertown.
Margaret A. Helfrich, Bruin.
George H. Houck, Cairnbrook.
Marie Kolasa, Clarence.
Leonard E. Devilbiss, Fawn Grove.
Anna Hullihan, Gilberton.
Joseph J. Myers, Irvine.
William Killion, Irvona.
Thomas R. Lawler, Jessup.
Howard E. Bixler, Manchester.
Lottie Tueche, New Eagle.
Frank G. Christopher, Smithton.
Mary E. Cramer, South Connellsville.
Harry H. Howell, Union Dale.
Sadie L. Brunner, Worcester.
Margaret E. Malley, Wyncote.

SOUTH DAKOTA

Henry W. Landwehr, Winfred.

HOUSE OF REPRESENTATIVES

MONDAY, DECEMBER 6, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father, Thou who art most human, yet most divine, Thy mercies are one unbroken succession; to Thee we lift our hearts of praise; let the beauty of the Lord be upon us. We pray that the vision splendid may flash out of the invisible; open Thou the windows of our spirits toward the unseen. Bless, we pray Thee, the President of these United States; return him to our homeland in renewed strength. Grant that the whole body of our citizens may obey its laws, and may peace prevail throughout our borders. Our Father, may we look for the best in others and give them the best we have; may we love the flower and not think of the blight. Thou, who art the God of the whole earth, let the heavens, the earth, and the sons of God unite in pleading for the fleeing, starving, and stricken refugees of war's hell of horrors. In the name of the Prince of Peace. Amen.

The Journal of the proceedings of Friday, December 3, 1937, was read and approved.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Colorado. Mr. Speaker, I ask unanimous consent that on Thursday next, after the disposition of matters on the Speaker's table and the regular order of business, I may address the House for 15 minutes on the child-labor provisions of the Senate and House wage-hour bills.

The SPEAKER. The gentleman from Colorado asks unanimous consent that on Thursday next, after the disposition of matters on the Speaker's desk and following the legislative program of the day, he may be permitted to address the House for 15 minutes. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, do I understand correctly that this request is to address the House after the consideration of the farm bill?

Mr. RAYBURN. Yes; it comes after the legislative program of the day, whatever it may be.

Mr. MARTIN of Massachusetts. The gentleman would not have any objection to a similar request if anyone on this side should ask permission to address the House following the gentleman from Colorado?

Mr. RAYBURN. No.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

THE CONSENT CALENDAR

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. Mr. Speaker, this is Consent Calendar day, but as everyone knows, one of the Members who on this side of the House look after the Consent Calendar is ill in a hospital. After consulting with some of the other Members who are looking after this matter, I find they do not themselves desire to proceed today with the call of the Consent Calendar.

I therefore ask unanimous consent, Mr. Speaker, that the calling of the Consent Calendar may be dispensed with for today.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mr. HOUSTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein

excerpts from a letter from the Chairman of the Home Owners' Loan Corporation.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein an article written by the gentleman from Kansas [Mr. Hous-ton].

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. McGRATH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial from a San Francisco newspaper, together with my reply.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein excerpts from an article on finance by a constituent.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. CULKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a letter from the President.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COLLINS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the bill H. R. 7710.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two subjects—housing and silver.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that on Thursday, December 16, after the disposition of matters on the Speaker's table and following the legislative program for the day, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. MASON asked and was given permission to extend his own remarks in the RECORD.

Mr. MAHON of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting in the Appendix a newspaper article appearing in the Corpus Christi Caller concerning the views of my distinguished colleague the gentleman from Texas [Mr. KLEBERG] with reference to farm legislation.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject of freedom of the press.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LORD. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes on Thursday, following the gentleman from Colorado [Mr. MARTIN].

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

APPOINTMENT ON APPROPRIATIONS COMMITTEE

Mr. DOUGHTON. Mr. Speaker, I offer a privileged resolution, which I send to the Clerk's desk.

The Clerk read as follows:

Resolved, That JOSEPH E. CASEY, of Massachusetts, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on Appropriations.

The resolution was agreed to.

NEUTRALITY

Mr. McREYNOLDS. Mr. Speaker, I am directed by the Committee on Foreign Affairs to report back to the House the privileged resolution, which I send to the Clerk's desk.

The Clerk read as follows:

House Resolution 364

Resolved, That the President of the United States is requested, if not incompatible with the public interest, to transmit to the House of Representatives at the earliest practicable moment the following information, namely:

1. Has Japan seized Chinese territory by force of arms?
2. Is Japan pressing deeper into Chinese territory?
3. Is the United States moving or preparing to move its legation from the capital of China?
4. Has the Department of State advised citizens of the United States in China to leave that country?
5. Has consideration of the removal of the legation and citizens of the United States been caused by a conflict of armed forces? If so, between whom?
6. Are arms and ammunitions and implements of war being sold by or shipped by United States citizens to any such armed forces? Are they going by cash or credit?
7. Does a state of war exist in China?
8. Is it a fact that the Department of State is using the Neutrality Act as an instrument of policy as indicated by the following statements of the chairman of the Committee on Foreign Affairs on the floor of the House of Representatives on November 17, 1937, to wit:
"I think it will aid Japan and aid the Fascist countries of Europe more by putting this law into effect now than by not putting it into effect."
And again:
"I am not saying that we should help China, but I want to stick a dagger in these countries that are trying to create dictatorship and trying to ruin the world."
9. What armed forces of the United States are in Chinese or Japanese territory and for what purpose?

Mr. McREYNOLDS. Mr. Speaker, a quite voluminous report (Rept. No. 1651) has been made by the Secretary of State in answer to these questions and I ask unanimous consent that the same may be printed in the RECORD, and I move the tabling of the resolution.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that the report of the committee may be printed in the RECORD. Is there objection?

Mr. CASE of South Dakota. Mr. Speaker, reserving the right to object, will the gentleman yield for a question?

Mr. McREYNOLDS. I yield to the gentleman for a question.

Mr. CASE of South Dakota. The resolution and the statement of the Secretary concern a definition of policy with respect to the neutrality act, and, apparently, will be the setting of a precedent. Does the gentleman think the reply of the Secretary covers fully the questions that are asked in the resolution?

Mr. McREYNOLDS. The gentleman thinks the reply of the Secretary fully covers the questions the gentleman has asked, and if there is any objection to printing the report in the RECORD I shall simply move to table the resolution.

Mr. FISH. There is no objection.

Mr. CASE of South Dakota. We have no objection to printing the report, nor to tabling the resolution, provided the report answers the questions, as the gentleman assures us it does. The resolution was a resolution of inquiry. If it has brought the information requested and has afforded the Secretary of State an opportunity to set forth the position of the Administration with regard to the Neutrality Act and to state the present policy of the United States in

regard to the war in China, the resolution has served its purpose, and a very useful purpose.

IMPORTANT TO EVERY CITIZEN

Under permission to extend my remarks at this point, I wish to emphasize the importance of a thorough understanding of that position to every citizen of the United States.

At the previous session, this Congress passed, and the President signed, an act entitled "The Neutrality Act of 1937." It was the third writing of a neutrality law by this administration. The two previous neutrality laws were called temporary neutrality acts; this was offered as the permanent neutrality act. It was certainly the considered and deliberate opinion of the administration written into law. It was presented to and argued to this House as a measure which would keep us from getting into a pre-war situation.

Such books as Walter Mills' *Road to War*, and the disclosures of the Nye committee regarding the sale of arms and ammunition and the discovery of pre-war agreements among other nations on the division of spoils brought this House to the decision that we would declare a policy of neutrality and declare it in advance so that we would not get into the position that leads to war.

It seems now perfectly clear that the so-called Neutrality Act has become, what many feared at the time, not an instrument of neutrality but an instrument of policy. It has become a means of granting or withholding favors to one nation or another, according to the President's decision as to where our interests lie.

My remarks at the time the measure was before us were reviewed when I presented this resolution of inquiry on the 24th of November. As I repeated then:

Application of an embargo on arms in a discretionary way destroys neutrality by the very name itself. * * * Under this measure the people become, more than ever in the history of America, pawns in Presidential policy.

WHAT OF WAR IN ANOTHER QUARTER?

Mr. Speaker, the policy of the administration may be the right policy in the Orient—today. It may be keeping us out of war—today. But I raise this sober question:

If the President under the Neutrality Act can ignore the war in China today, has not an overwhelming precedent been created to ignore war wherever it may break out? And then for us to get into all kinds of danger zones?

We are told that the President has not found a state of war to exist in China. Therefore, he need not invoke the Neutrality Act which would place an embargo on the shipment of arms and ammunition and require that our citizens keep off ships in the war zone and require that nations getting war materials pay cash for them or at least settle for all interest of our citizens in such goods.

What will be the attitude of the nation that wants our ammunition if and when the act is invoked?

We can grant the contention well set forth by the gentleman from Connecticut [Mr. SHANLEY], in a recent address to the House, that the nature of sovereignty is such that the Chief Executive has an unusual power in directing foreign affairs. A Supreme Court decision has been cited in support of that point. The Court has also said:

Every contention by force between two nations in external matters under the authority of their respective governments is not only war but public war (*Bas. v. Tingle*, 4 Dallas, 34, 40; 1 L. Ed. 731, 732-3).

If such a definition did not say that war exists in China, common sense would. And I feel sure that any reasonable construction on the information in the Secretary's letter would say that the conflict in China is war.

Suppose that war breaks out in another quarter of the globe, a declared war. Then, is the Neutrality Act to be invoked as to one set of belligerents and not as to another? Or, suppose that China or Japan should declare war now?

FAVORITISM IS NOT NEUTRALITY

Let your minds run back to the logic of President Wilson in 1915 and 1916 as to changing policy in the middle of a war. Showing favors is not neutrality, and sooner or later discretionary application of the penalties of the Neutrality Act will involve us in trouble.

It is well said that the purpose of the Neutrality Act is to keep this country out of war. That is correct. The Congress had that in mind when the act was passed and when it set forth the things to be done to avoid our getting into one of the conditions that leads to war. Did Congress overreach? Did it encroach on the powers of the President? The President signed the act.

I pass over the question of whether the right to determine when the intent of Congress in one field extends to other fields. It may not. I pass over the question of whether Congress had its eyes shut when it passed the conference report on the bill or whether the President had his fingers crossed when he signed it. Both acted with the best of intentions. I waive argument on whether ignoring of the Neutrality Act avoids involving us in war today. It may do that. But I raise the simple, sober question:

Can we ignore the law in one war and invoke it in another—and eventually stay out of war ourselves?

I repeat what I said when I offered the resolution of inquiry:

The Neutrality Act should be amended, repealed, or observed. It should not be ignored. * * * We should not drift into a position from which we can extricate ourselves only by war.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The SPEAKER. The question is on the motion to lay the resolution on the table.

The motion was agreed to.

The report referred to is as follows:

Mr. McREYNOLDS, from the Committee on Foreign Affairs, submitted the following adverse report (to accompany H. Res. 364):

The Committee on Foreign Affairs, to whom was referred the resolution (H. Res. 364) requesting certain information from the President of the United States, having considered the same, submit the following report thereon, with the recommendation that it do not pass:

The action of the committee is based upon the following letter to the chairman from the Secretary of State dated December 4, 1937. The letter is as follows:

DEPARTMENT OF STATE,
Washington, December 4, 1937.

The Honorable SAM D. McREYNOLDS,
Chairman, Committee on Foreign Affairs,
House of Representatives.

MY DEAR MR. McREYNOLDS: The receipt is acknowledged of a letter of November 25 from Mr. I. R. Barnes, clerk of the Committee on Foreign Affairs, asking that the Department furnish the Committee on Foreign Affairs a report, in duplicate, on House Resolution 364, "Requesting certain information from the President of the United States."

Information which has been and is constantly made publicly available through the press and official statements affords the answers to most of the questions listed in H. Res. 364. However, for convenience of reference, there is offered comment in regard to the questions as follows:

With regard to the first question, it is a matter of public knowledge that Japanese armed forces are in control over certain areas of Chinese territory. In connection with this question, reference is made to a statement issued on October 27, 1937, by the Japanese Foreign Office in which it is declared: "Japan never looks upon the Chinese people as an enemy nor does she harbor any territorial designs" (New York Times, October 28, 1937).

With regard to the second question, the armed forces of Japan have, as stated in reports appearing currently in the press, advanced in north China as far west as the rail head at Paotow (in Suiyuan Province) and as far south as some 50 miles beyond Taiyuanfu in Shansi Province, as the northern tip of Honan Province and as the Yellow River in Shantung Province. In the Shanghai area, Japanese forces have advanced in the direction of Nanking and now occupy a line approximately 75 miles distant from Nanking.

With regard to the third and fifth questions, there are enclosed (a) a statement issued by the Chinese Foreign Office on November 20, 1937, in reference to the removal of the capital of China

from Nanking, and (b) a statement issued by the Department of State on November 22, 1937.

With regard to the fourth question, the Department of State and American diplomatic and consular officers in China have from the beginning of the present conflict between China and Japan urged that American citizens in China, because of the dangers incident to continued residence there, withdraw, and the American Government has facilitated in every way possible an orderly and safe removal of American citizens from areas where there is special danger. Furthermore, the Department is not for the present issuing passports valid for travel to and in China save in certain exceptional circumstances.

With regard to the sixth question, there is enclosed a copy of the statement issued by the Department covering the exportation for the month of October 1937 of arms, ammunition, and implements of war from the United States to foreign countries, including China and Japan. These statements are issued monthly. While exporters of such arms and munitions are not required under existing law to inform the Department of State whether such sales are made on a cash or on a credit basis, it is the understanding of the Department that the transactions involving shipments to China and to Japan are on a cash basis.

With regard to the seventh question, neither the Chinese Government nor the Japanese Government has declared war on the other. The President of the United States has not found "that there exists a state of war" (see Public Resolution No. 27, 75th Cong., approved May 1, 1937).

With regard to the eighth question, the entering into force of the restrictive provisions of the Neutrality Act of May 1, 1937, is left to and is dependent upon decision of the President by a finding that "there exists a state of war." The policy of the Department of State in reference to this act is dependent upon that decision. The Department of State keeps constantly in mind the fact that the principal purpose of the act is to keep the United States out of war.

With regard to the ninth question, the United States maintains no armed forces in the Japanese Empire. In China, there are armed forces of the United States at Peiping (527 U. S. Marines), at Tientsin (784 U. S. Army), and at Shanghai (2,701 U. S. Marines). The American Government maintains small detachments at Peiping and at Tientsin, and other interested governments maintain similar detachments, pursuant to the provisions of the so-called Boxer protocol of 1901 which was concluded between China and the representatives of the interested governments, including the American Minister to China. These troops are maintained for the general purpose of providing protection to American nationals (including the Embassy personnel) and, in case of emergency calling for evacuation making available an armed escort. At Shanghai, the Government of the United States (as well as various other governments) has since 1927 maintained in the International Settlement at that place a small detachment of armed forces for the purpose of assisting in protecting the large number of American citizens residing in that area from the dangers incident to serious disorders beyond the control of the local authorities. Also, there are naval vessels of the United States in Chinese waters. These vessels form a part of the United States Asiatic Fleet based on Manila, and the distribution and movements of these vessels are under the control of the commander-in-chief of that fleet. Normally, except in times of trouble in which American lives and property are endangered, these vessels, with the exception of a few small gunboats on the Yangtze River and in south China waters, cruise between Chinese ports and the Philippine Islands. The authority for stationing naval vessels of the United States in Chinese waters is found in the Sino-American Treaty of 1858 and in somewhat similar provisions of treaties between China and other foreign powers, which provisions inure to the benefit of the United States through most-favored-nation treatment. American armed forces in China are there for the protection of American nationals, primarily against mobs or other uncontrolled elements. They have no mission of aggression. It has been the desire and the intention of the American Government to remove these forces when performance of their function of protection is no longer called for, and such remains its desire and expectation. During the current situation of emergency in China, these forces have rendered important service in protecting the lives of American nationals, together with and including our diplomatic and consular establishments, and in making possible the maintenance of uninterrupted communications with our nationals and our diplomatic and consular establishments in the areas involved.

There are also enclosed for convenience of reference various public documents, as indicated below, which contain statements in regard to the attitude and policy which the Government is following.

Sincerely yours,

CORDELL HULL.

Enclosures (in duplicate):

1. Chinese Foreign Office statement, dated November 20, 1937.
2. Department of State press statement, dated November 22, 1937.
3. Department of State press statement, dated November 4, 1937.

4. Statement by Secretary of State, dated July 16, 1937.

5. Department of State press statement, dated August 23, 1937.

6. White House press statement, dated September 14, 1937.

7. Address by Secretary of State, dated September 19, 1937.

8. Address by Secretary of State, dated September 20, 1937.

9. Address by Secretary of State, dated October 22, 1937.

TEXT OF A STATEMENT ISSUED BY THE CHINESE GOVERNMENT ON NOVEMBER 20, 1937, IN REGARD TO THE REMOVAL OF THE NATIONAL CAPITAL FROM NANKING TO CHUNGKING

The chain of events following the Lukouchiao incident on July 7 and culminating in the seizure of Tientsin and Peiping has opened a new phase in Japan's program of continental conquest. Realizing that Japan's aggression knows no bound except that of force, the Chinese Government has finally resolved to take up arms in self-defense. The Government's decision, it is most gratifying to note, has received hearty endorsement and support of the whole nation, which has turned out like one man in the common struggle against invasion. Wherever the Japanese forces chose to make their attacks, they have invariably encountered stubborn resistance of Chinese defenders who would rather die than surrender an inch of territory. The instances of heroic sacrifices in different provinces are too numerous to be mentioned here.

In the Shanghai-Woosung area, the Chinese held their enemy at bay for fully 3 months. Responding to the call of the Government, units of fighting forces from all over the country rushed to the front and fought shoulder to shoulder against the common enemy. Despite the concerted attacks by the Japanese forces from land, air, and sea, the Chinese troops have maintained an excellent morale. Many of them trusting to nothing more than their blood and patriotism remained at their posts even after their defense works had been completely destroyed by Japanese bombardment. In the valor and loyalty of these officers and men the indomitable spirit of the Chinese people finds its most eloquent expression. Upon the bodies of the heroic dead the foundation of a new and independent Chinese nation may be said to have been firmly laid.

Of late, the Japanese forces have shown a disposition of advancing further westward, evidently with the intention of coercing the Chinese Government into accepting the humiliating terms by directly threatening the safety of Nanking, capital of China. In this the Japanese calculations are greatly mistaken. For, in embarking upon the present course of action after all peaceful means had proved fruitless, China has fully made up her mind that her salvation lies in fighting the invaders even to the last man. Our submission to Japan is neither compatible with our national existence and honor nor with the maintenance of international justice and peace. "To be a broken jade rather than a whole tile" is today the determination of every patriotic Chinese.

In order to conform to the requirements of the present state of hostilities as well as to be in a more advantageous position to direct national affairs as a whole and put up prolonged resistance, the Government has this day been removed to Chungking. There can be no doubt that hereafter China's resistance will be on an even wider extent and of greater effectiveness than heretofore and with vast manpower and natural resources at her command and with full determination of her people to give up their lives for the country, she is fully united against the Japanese invader.

In her present struggle China has behind her fully sympathy of foreign nations and solid support of her people. There can be no question that she will ultimately attain the object of maintaining her national existence and independence.

DEPARTMENT OF STATE,

November 22, 1937.

The Chinese Government having announced in a statement issued on November 20, 1937, the removal of the seat of the national government as of that day to Chungking, in Szechuan Province, the American Ambassador at Nanking, together with certain members of his staff, will leave tomorrow for Hankow, where it is expected that the Chinese Ministry of Foreign Affairs will be established. The Ambassador and the members of his staff accompanying him will proceed by the U. S. S. *Luzon*, which will also take on board all American citizens who wish to leave Nanking. It is understood that the heads of other foreign diplomatic missions and members of their staffs will leave Nanking for Hankow at about the same time.

The Embassy at Nanking will continue to function, and Secretaries George Atcheson, Jr., and J. Hall Paxton and Clerk Emile P. Gassie, Jr., are remaining at Nanking to carry on the work of the office, including the rendering of assistance, if needed, to American citizens who do not wish to leave. The U. S. S. *Panay* is remaining at Nanking.

DEPARTMENT OF STATE,

November 4, 1937.

The table printed below indicates the number of export licenses for arms, ammunition, and implements of war issued by the Secretary of State from October 1 to October 31, 1937, inclusive,

and the character of the arms, ammunition, and implements of war exported, their value, and the countries of destination:

Country of destination	Number of licenses issued	Catego-ries	Value	Total
Angola.....	2	V (1) (2)	\$3,000.00 25.00	\$3,025.00
Argentina.....	6	III (1) IV (1) (2) V (1) (2) (3)	527,000.00 116.88 22.65 6,500.00 2,145.00 10,500.00	
Australia.....	15	I (1) (4) IV (1) (2) V (2)	1,333.00 52.22 80.00 6.00 7,500.00	546,284.53
Bahamas.....	1	IV (2)	30.00	8,971.22
Barbados.....	7	I (1) (4) IV (1) (2)	26.00 9.00 227.38 261.00	30.00
Belgium.....	7	I (1) (4) IV (1) V (3)	35.00 58.00 14.88 38,060.00	523.38
Bermuda.....	1	V (2)	1,500.00	38,167.88
Bolivia.....	6	I (4) IV (2) V (2) VII (2)	120.00 31.00 1,000.00 938.60	1,500.00
Brazil.....	17	I (1) (4) IV (1) (2) V (2) (3)	1,336.00 2,080.00 38,015.90 10,201.00 14,239.06 11,400.00	2,089.60
British Guiana.....	2	IV (1)	144.75	77,271.96
British Honduras.....	1	I (4)	9.00	144.75
Burma.....	1	I (1)	71.00	9.00
Canada.....	189	I (1) (4) IV (1) (2) V (1) (2) (3) VII (1) (2)	3,757.87 2,795.36 394.44 1,271.73 52,187.15 32,843.80 3,873.50 1,470.00 13,294.85	71.00
Chile.....	1	I (4) IV (2)	37.00 381.00	111,888.70
China.....	16	I (2) III (1) V (1) (2) (3) VII (2)	2,100.00 127,000.00 120,000.00 1,400.00 4,000.00 435,840.00	418.00
Colombia.....	6	IV (1) V (1) (2) (3) VII (1)	941.68 43,000.00 1,800.00 22,000.00 44.25	690,340.00
Costa Rica.....	7	VII (2)	698.50	67,785.93
Cuba.....	5	IV (1) (2)	36.00 195.00	698.50
Curacao.....	1	V (1)	160,000.00	231.00
Czechoslovakia.....	1	V (1)	225,000.00	160,000.00
Dominican Republic.....	2	I (3) IV (1)	15,000.00 1,275.00	225,000.00
Ecuador.....	2	IV (1) (2)	28.05 26.00	16,275.00
Egypt.....	2	IV (1) V (3)	12.75 900.00	54.05
El Salvador.....	2	IV (1)	4,037.00	912.75
Federated Malay States.....	3	I (4) IV (1) (2)	3.00 73.95 14.00	4,037.00
Fiji.....	1	I (4) IV (2)	68.00 6.00	90.95

¹ In addition 1 license was issued in October authorizing the export to China of a shipment of articles falling under Category V (1) valued at \$906,300. This license replaced a license issued in August 1937, which authorized the exportation of this shipment.

Country of destination	Number of licenses issued	Catego-ries	Value	Total
Finland.....	1	I (4) IV (2)	\$99.00 9.00	\$108.00
France.....	2	I (4)	65.40	
French Indochina.....	1	I (4) IV (1) (2)	1.37 29.50 2.59	65.40
Germany.....	10	I (4) IV (1) (2) V (3)	70.00 202.45 73.00 14,800.00 56,700.00	33.46
Great Britain and Northern Ire-land.....	8	I (4) IV (1) (2) V (1) (2)	57.00 14.88 21.00 1,500.00 1,062.00	71,845.45
Guatemala.....	2	I (4) VII (2)	4.00 705.00	2,654.88
Haiti.....	1	I (4)	6,500.00	709.00
Honduras.....	10	I (2) (4) III (2) V (1) (2) (3)	12,350.00 39,500.00 1,000.00 19,500.00 816.00 8,800.00	6,500.00
Hong Kong.....	1	IV (1)	1,345.00	81,960.00
India.....	13	I (1) (4) IV (2) V (1) (2) (3)	453.65 1,471.75 79.00 50,000.00 250.00 5,273.90	1,345.00
Iraq.....	7	IV (1) (2)	128.78 20.50	57,523.30
Irish Free State.....	1	I (4)	10.00	149.28
Italy.....	1	V (3)	114,165.00	10.00
Jamaica.....	5	I (1) IV (1)	108.46 164.00	114,165.00
Japan.....	10	III (1) IV (1) (2) V (2)	49,100.00 31,728.39 732.00 3,817.70	272.46
Latvia.....	1	V (2)	1,075.00	85,378.09
Leeward Islands.....	1	VII (2)	55.00	1,075.00
Macao.....	3	I (2) (4) (5) IV (1) (2)	3,165.00 3,449.00 1,500.00 2,320.60 959.00	55.00
Mauritius.....	1	I (1)	92.40	11,393.60
Mexico.....	44	I (1) (2) (3) (4) IV (1) (2) V (1) (2) VII (1) (2)	1,409.10 73,750.00 55,698.00 31,969.00 10,709.65 8,528.00 214,250.00 300.00 1,034.00 8,997.00	92.40
Mozambique.....	2	I (1) (4) V (1) (2)	210.00 90.00 1,500.00 25.00	406,614.75
Netherlands.....	6	V (1) (2) (3)	524,800.00 10,060.00 5,526.00	1,795.00
Netherlands Indies.....	4	IV (1) V (1) (2)	10,277.00 240,000.00 1,900.00	540,386.00
New Caledonia.....	2	I (1) (4)	71.55 447.00	252,177.00
Newfoundland.....	1	I (1)	146.00	518.55
New Guinea, Territory of.....	3	I (1) (4) V (1) (2) (3)	27.00 4.00 16,500.00 4,362.88 5,500.00	146.00
New Hebrides.....	1	I (4)	243.00	26,393.88

Country of destination	Number of licenses issued	Categories	Value	Total
New Zealand	13	I (1) (4) IV (2) V (1) (2)	\$451.19 225.30 60.50 7,000.00 50.00	\$7,786.99
Nicaragua	2	I (2) V (1)	1,600.00 1,500.00	3,100.00
Norway	3	IV (2) V (1) (2)	10.92 1,500.00 400.00	1,910.92
Panama	3	IV (2) VII (2)	111.00 1,596.00	1,707.00
Paraguay	2	I (4) IV (2)	102.00 858.00	960.00
Peru	6	I (3) (4) (1) IV (1) V (2)	1,700.00 1,200.00 8.00 5,357.00	8,265.00
Poland	2	I (1) V (2)	76.00 1,395.70	1,471.70
Portugal	2	V (1) (2)	1,500.00 25.00	1,525.00
Rumania	2	I (5) V (1)	200.00 10,500.00	10,700.00
Siam	18	IV (1)	2,879.43	2,879.43
Southern Rhodesia	2	I (4) IV (2)	71.86 19.00	90.86
Straits Settlements	3	IV (1) (2)	917.15 9.00	926.15
Sweden	8	I (1) III (1) V (1) (2)	33.75 15,000.00 3,000.00 417.20	18,450.95
Switzerland	2	IV (1) V (1)	25.50 4,577.00	4,602.50
Trinidad	10	IV (1) (2) V (1)	443.98 45.00 1,500.00	1,988.98
Turkey	2	III (1)	2,670,000.00	2,670,000.00
Union of South Africa	23	I (1) (4) IV (1) (2) V (1) (2) (3)	135.00 169.92 788.90 42.00 1,500.00 14,460.00 53,500.00	70,595.82
Union of Soviet Socialist Republics	5	V (1) (2)	855,000.00 4,974.80	859,974.80
Uruguay	6	I (1) (2) (4) III (1) IV (1) (2) V (1)	22.00 7,680.00 598.00 109,920.00 663.00 654.00 1,500.00	121,037.00
Venezuela	14	IV (1) (2) V (1) (2) (3) VII (1) (2)	3,371.98 140.82 18,000.00 245.00 8,000.00 84.00 352.00	30,193.80
Windward Islands	1	I (4) IV (2)	10.00 7.00	17.00
Total	565			7,437,692.60

The following table indicates the number of import licenses of arms, ammunition, and implements of war issued by the Secretary of State from October 1 to 31, 1937, inclusive, and the character of the arms, ammunition, and implements of war imported, their value, and the countries of origin:

Country of origin	Number of licenses issued	Categories	Value	Total
Belgium	2	I (4)	\$3,234.60	\$3,234.60
Canada	2	I (4) IV (2) V (2)	5.00 5.00 450.00	460.00
Egypt	1	V (3)	400.00	400.00
Germany	2	I (4)	4,548.83	4,548.83
Great Britain and Northern Ireland	3	I (4) V (2)	4,245.00 1,500.00	5,745.00
Mexico	2	I (2) (4) V (1)	550.00 120.00 35,000.00	35,670.00
Netherlands	1	V (2)	3,500.00	3,500.00
Peru	1	V (3)	14,610.00	14,610.00
Portugal	1	V (3)	14,000.00	14,000.00
Total	15			82,168.43

The categories of arms, ammunition, and implements of war in the third column of the above tables are the categories into which those articles were divided in the President's proclamation of May 1, 1937, enumerating the articles which would be considered as arms, ammunition, and implements of war for the purposes of section 5 of the joint resolution of May 1, 1937, as follows:

CATEGORY I

- (1) Rifles and carbines using ammunition in excess of caliber .22, and barrels for those weapons;
- (2) Machine guns, automatic or autoloading rifles, and machine pistols using ammunition in excess of caliber .22, and barrels for those weapons;
- (3) Guns, howitzers, and mortars of all calibers, their mountings and barrels;
- (4) Ammunition in excess of caliber .22 for the arms enumerated under (1) and (2) above, and cartridge cases or bullets for such ammunition; filled and unfilled projectiles for the arms enumerated under (3) above;
- (5) Grenades, bombs, torpedoes, mines, and depth charges, filled or unfilled, and apparatus for their use or discharge;
- (6) Tanks, military armored vehicles, and armored trains.

CATEGORY II

Vessels of war of all kinds including aircraft carriers and submarines, and armor plate for such vessels.

CATEGORY III

- (1) Aircraft, unassembled, assembled, or dismantled, both heavier and lighter than air, which are designed, adapted, and intended for aerial combat by the use of machine guns or of artillery or for the carrying and dropping of bombs, or which are equipped with, or which by reason of design or construction are prepared for, any of the appliances referred to in paragraph (2) below;
- (2) Aerial gun mounts and frames, bomb racks, torpedo carriers, and bomb or torpedo-release mechanisms.

CATEGORY IV

- (1) Revolvers and automatic pistols using ammunition in excess of caliber .22;
- (2) Ammunition in excess of caliber .22 for the arms enumerated under (1) above, and cartridge cases or bullets for such ammunition.

CATEGORY V

- (1) Aircraft, unassembled, assembled, or dismantled, both heavier and lighter than air, other than those included in category III;
- (2) Propellers or air screws, fuselages, hulls, wings, tail units, and under-carriage units;
- (3) Aircraft engines, unassembled, assembled, or dismantled.

CATEGORY VI

- (1) Livens projectors and flame throwers;
- (2) a. Mustard gas (dichlorethyl sulphide);
b. Lewisite (chlorvinylchlorarsine and dichlorovinylchlorarsine);
c. Methylchlorarsine;
d. Diphenylchlorarsine;
e. Diphenylcyanarsine;
f. Diphenylaminechlorarsine;
g. Phenylchlorarsine;

- h. Ethyldichlorarsine;
- i. Phenylidibromarsine;
- j. Ethyldibromarsine;
- k. Phosgene;
- l. Monochloromethylchlorformate;
- m. Trichloromethylchlorformate (diphosgene);
- n. Dichlorodimethyl ether;
- o. Dibromodimethyl ether;
- p. Cyanogen chloride;
- q. Ethylbromacetate;
- r. Ethylchloracetate;
- s. Brombenzylcyanide;
- t. Bromacetone;
- u. Brommethyl ethyl ketone.

CATEGORY VII

- (1) Propellant powders;
- (2) High explosives as follows:
 - a. Nitrocellulose having a nitrogen content of more than 12 percent;
 - b. Trinitrotoluene;
 - c. Trinitroxylenes;
 - d. Tetryl (trinitrophenol methyl nitramine or tetranitro methyl-aniline);
 - e. Picric acid;
 - f. Ammonium picrate;
 - g. Trinitroanisole;
 - h. Trinitronaphthalene;
 - i. Tetranitronaphthalene;
 - j. Hexanitrodiphenylamine;
 - k. Pentaerythritetetrinitrate (penthrate or pentrite);
 - l. Trimethylenetrinitramine (hexogen or T₁);
 - m. Potassium nitrate powders (black saltpeter powder);
 - n. Sodium nitrate powders (black soda powder);
 - o. Amatol (mixture of ammonium nitrate and trinitrotoluene);
 - p. Ammonal (mixture of ammonium nitrate, trinitrotoluene, and powdered aluminum, with or without other ingredients);
 - q. Schneiderite (mixture of ammonium nitrate and dinitronaphthalene, with or without other ingredients).

In compliance with article II of the convention between the United States and Cuba to suppress smuggling, signed at Habana March 11, 1926, which reads in part as follows:

"The high contracting parties agree that clearance of shipments of merchandise by water, air, or land from any of the ports of either country to a port of entry of the other country shall be denied when such shipment comprises articles the importation of which is prohibited or restricted in the country to which such shipment is destined, unless in this last case there has been a compliance with the requisites demanded by the laws of both countries."

and in compliance with the laws of Cuba which restrict the importation of arms, ammunition, and implements of war of all kinds by requiring an import permit for each shipment, export licenses for shipments of arms, ammunition, and implements of war to Cuba are required for the articles enumerated below in addition to the articles enumerated in the President's proclamation of May 1, 1937.

- (1) Arms and small arms using ammunition of caliber .22 or less, other than those classed as toys.
- (2) Spare parts of arms and small arms of all kinds and calibers, other than those classed as toys, and of guns and machine guns.
- (3) Ammunition for the arms and small arms under (1) above.
- (4) Sabers, swords, and military machetes with cross-guard hilts.
- (5) Explosives as follows: Explosive powders of all kinds for all purposes; nitrocellulose having a nitrogen content of 12 percent or less; diphenylamine; dynamite of all kinds; nitroglycerine; alkaline nitrates (ammonium, potassium, and sodium nitrate); nitric acid, nitrobenzene (essence or oil of mirbane); sulphur; sulphuric acid; chlorate of potash and acetones.
- (6) Tear gas (C₆H₅COCH₂Cl) and other similar nontoxic gases and apparatus designed for the storage or the projection of such gases.

The table printed below indicates the number of licenses issued between October 1 and October 31, 1937, inclusive, for exportation to Cuba of the articles and commodities listed in the preceding paragraph:

Number of licenses	Sections	Total value
38.	(1)	\$1,447.60
	(2)	72.60
	(3)	13,287.00
	(5)	14,425.03
		29,232.23

The table printed below indicates the number of licenses issued between October 1 and October 31, 1937, inclusive, for the exportation of tin-plate scrap under the provisions of the act approved February 15, 1936, and the regulations issued pursuant thereto:

Country of destination	Number of licenses issued	Quantity in long tons	Total value
Japan	1	30	\$500

The table printed below gives the essential information in regard to the licenses issued during the period October 1 to October 31, 1937, inclusive, authorizing the exportation of helium gas under the provisions of the act approved on September 1, 1937, and the regulations issued pursuant thereto:

Applicant for license	Purchaser in foreign country	Country of destination	Quantity in cubic feet	Total value
The Ohio Chemical & Manufacturing Co. American Zeppelin Transport, Inc.	Oxygen Co. of Canada, Ltd.	Canada	52	\$0
	Deutsche Zeppelin Reederei (G. M. B. H.)	Germany	1,500	200
The Girdler Corporation	Griesogen Griesheimer Autogen Verkaufs (G. M. B. H.)	do.	3,000	375
Total				581

DEPARTMENT OF STATE,
July 16, 1937.

STATEMENT BY THE SECRETARY OF STATE

I have been receiving from many sources inquiries and suggestions arising out of disturbed situations in various parts of the world.

Unquestionably there are in a number of regions tensions and strains which on their face involve only countries that are near neighbors but which in ultimate analysis are of inevitable concern to the whole world. Any situation in which armed hostilities are in progress or are threatened is a situation wherein rights and interests of all nations either are or may be seriously affected. There can be no serious hostilities anywhere in the world which will not one way or another affect interests or rights or obligations of this country. I, therefore, feel warranted in making—in fact, I feel it a duty to make—a statement of this Government's position in regard to international problems and situations with respect to which this country feels deep concern.

This country constantly and consistently advocates maintenance of peace. We advocate national and international self-restraint. We advocate abstinence by all nations from use of force in pursuit of policy and from interference in the internal affairs of other nations. We advocate adjustment of problems in international relations by processes of peaceful negotiation and agreement. We advocate faithful observance of international agreements. Upholding the principle of the sanctity of treaties, we believe in modification of provisions of treaties, when need therefor arises, by orderly processes carried out in a spirit of mutual helpfulness and accommodation. We believe in respect by all nations for the rights of others and performance by all nations of established obligations. We stand for revitalizing and strengthening of international law. We advocate steps toward promotion of economic security and stability the world over. We advocate lowering or removing of excessive barriers in international trade. We seek effective equality of commercial opportunity and we urge upon all nations application of the principle of equality of treatment. We believe in limitation and reduction of armament. Realizing the necessity for maintaining armed forces adequate for national security, we are prepared to reduce or to increase our own armed forces in proportion to reductions or increases made by other countries. We avoid entering into alliances or entangling commitments, but we believe in cooperative effort by peaceful and practicable means in support of the principles hereinbefore stated.

DEPARTMENT OF STATE,
August 23, 1937.

CONFIDENTIAL RELEASE FOR PUBLICATION AT 8 P. M. EASTERN STANDARD TIME—NOT TO BE PREVIOUSLY PUBLISHED, QUOTED FROM, OR USED IN ANY WAY

At his press conference on August 17 the Secretary of State announced that (1) legislative action to make available funds for purposes of emergency relief necessitated by the situation in the Far East had been asked and that (2) this Government had given orders for a regiment of marines to prepare to proceed to Shanghai. The Secretary then discussed at some length the principles of policy on which this Government was proceeding.

The situation at Shanghai is in many respects unique. Shanghai is a great cosmopolitan center, with a population of over 3,000,000, a port which has been developed by the nationals of many countries, at which there have prevailed mutually advantageous contacts of all types and varieties between and among the Chinese and people of almost all other countries of the world. At Shanghai there exists a multiplicity of rights and interests which are of inevitable concern to many countries, including the United States.

In the present situation the American Government is engaged in facilitating in every way possible an orderly and safe removal of American citizens from areas where there is special danger. Further, it is the policy of the American Government to afford its nationals appropriate protection, primarily against mobs or other uncontrolled elements. For that purpose it has for many years maintained small detachments of armed forces in China, and for that purpose it is sending the present small reinforcement. These armed forces there have no mission of aggression. It is their

function to be of assistance toward maintenance of order and security. It has been the desire and the intention of the American Government to remove these forces when performance of their function of protection is no longer called for, and such remains its desire and expectation.

The issues and problems which are of concern to this Government in the present situation in the Pacific area go far beyond merely the immediate question of protection of the nationals and interests of the United States. The conditions which prevail in that area are intimately connected with and have a direct and fundamental relationship to the general principles of policy to which attention was called in the statement of July 16, which statement has evoked expressions of approval from more than 50 governments. This Government is firmly of the opinion that the principles summarized in that statement should effectively govern international relationships.

When there unfortunately arises in any part of the world the threat or the existence of serious hostilities, the matter is of concern to all nations. Without attempting to pass judgment regarding the merits of the controversy, we appeal to the parties to refrain from resort to war. We urge that they settle their differences in accordance with principles which, in the opinion not alone of our people but of most peoples of the world, should govern in international relationships. We consider applicable throughout the world, in the Pacific area as elsewhere, the principles set forth in the statement of July 16. That statement of principles is comprehensive and basic. It embraces the principles embodied in many treaties, including the Washington conference treaties and the Kellogg-Briand Pact of Paris.

From the beginning of the present controversy in the Far East we have been urging upon both the Chinese and the Japanese Governments the importance of refraining from hostilities and of maintaining peace. We have been participating constantly in consultation with interested governments directed toward peaceful adjustment. This Government does not believe in political alliances or entanglements, nor does it believe in extreme isolation. It does believe in international cooperation for the purpose of seeking through pacific methods the achievement of those objectives set forth in the statement of July 16. In the light of our well-defined attitude and policies, and within the range thereof, this Government is giving most solicitous attention to every phase of the Far Eastern situation, toward safeguarding the lives and welfare of our people and making effective the policies—especially the policy of peace—in which this country believes, and to which it is committed.

This Government is endeavoring to see kept alive, strengthened, and revitalized, in reference to the Pacific area and to all the world, these fundamental principles.

SEPTEMBER 14, 1937.

The President today, following a conference with the Secretary of State and the Chairman of the United States Maritime Commission, issued the following statement:

"Merchant vessels owned by the Government of the United States will not hereafter, until further notice, be permitted to transport to China or Japan any of the arms, ammunition, or implements of war which were listed in the President's proclamation of May 1, 1937.

"Any other merchant vessels flying the American flag which attempt to transport any of the listed articles to China or Japan will, until further notice, do so at their own risk.

"The question of applying the Neutrality Act remains in status quo, the Government policy remaining on a 24-hour basis."

DEPARTMENT OF STATE,
September 15, 1937.

Address of the Honorable Cordell Hull, Secretary of State, at a meeting held under the auspices of the National Peace Conference, at the West Forty-fifth Street Theater, New York City, on Sunday, September 19, at 4 p. m., D. S. T.

WORLD PEACE AND ECONOMIC COOPERATION

I am glad to have an opportunity to express my keen interest in this campaign in behalf of peace through economic cooperation.

When bombs are exploding and desperate armies are marching, it is difficult to talk of peace and of the conditions upon which peace must rest. The rules and attitudes by which peace may be kept may seem buried in the ground, ignored, or destroyed by those who recognize or fear no other rule but force. In country after country life seems to have no organized end except that of war preparation, and nations rear their children and spend their toil for the greater upbuilding of those armaments which may prove to be the great destroying idol.

It is this situation and this outlook that all who are desirous of peace must reckon with and must overcome by all the strength of their spirit and influence. On this our faith must rest—that most people everywhere, in every nation, do not want war. War comes as the great failure of man, out of fear, lust for power, injustice or misery left unrectified. The forces demanding peace, willing to accept the principles and policies which make it possible, have grown steadily and tremendously during recent decades. This is one of the testing periods for those forces. Now must every government, school, church, and family, in every country at peace, join in support of the determination to promote and to remain at peace, and above all else to make this determination

effective by applying the principles of conduct by which peace may be maintained.

The principles and methods essential for peace are simple. They are not those of extreme isolation on the one hand or aggression by force on the other. It is a great temptation in some countries, such as our own, to believe that peace may be had merely by maintaining such isolation apart from the rest of the world both in time of peace and in time of war. We are determined neither to thrust ourselves into or be drawn into armed conflicts between other nations. This is a basic and sound determination. It should not be relaxed. But this policy must be supplemented. We must make our contribution toward the realization of the conditions upon which peace everywhere can be maintained, or ultimately we shall have to sustain and protect ourselves amidst an outside world ridden by war and force. In such a world would we always be assured of our own security? Is it not evident that if the rule of law gives way to international anarchy, the security of this country would become seriously jeopardized?

A policy of complete isolation from the outside world would, in its ultimate effects, be as ineffective as the opposite extreme of ill-advised and unnecessary intervention in the affairs of the outside world would be unwise. The world is small. Each and every country is stirred by the emotions and thoughts of others. Each can now be threatened by the fighting weapons of others. Each will naturally claim and contend for reasonable rights and advantages throughout the whole world and not merely in some small section of it. For any nation which shows no concern for the safety or activities of its nationals abroad would soon expose itself to the flouting of even elementary rights.

Still more vital, any nation which completely fails to show interest in and to give support for the existence of international order would lose its influence for peace and thus neglect its part in sustaining any civilized basis of relationship between nations. Moreover, complete isolation, even were it practicable, would mean the withdrawal of the resources, economic, cultural, educational, and moral, of each country from the others, thus making it harder for all to improve their situations, and consequently contributing to the dissatisfactions which foster war.

Another notion of peace—a false notion, deceptive and harsh—that men sometimes attempt to justify is that of peace through aggression and conquest; the imposed and temporary peace that might be enjoyed by those who for a time may have the mightier force to impose their will and ambitions upon others, and for the others the tragic fate of repression or destruction. In a few exceptional instances in the past there have been, perhaps, periods of peace of this character for the survivors. But in the contemporary world, which cannot be conquered by any one nation or small group of nations, it is an illusory idea—a conception which leads not to peace but to unending battle. For acts of conquest leave behind ruined, hostile, and bitter peoples. They create fear everywhere, and this fear prevents friendship and stimulates the rival war preparations that make for future conflict. A country which embarks upon war with the thought that lasting peace lies in the complete overcoming of its enemies will find that the future still holds enemies.

The great task is for peoples and governments to grasp clearly and follow steadfastly the principles which are essential to peace. Never has the need for keeping them alive in fullest vigor been greater. Never has there been more needed the reassurance that would come from proof that governments are ready to pursue them in the actual conduct of their affairs. I have tried on various occasions to summarize them to the best of my understanding: National and international patience and self-restraint; avoidance of force in the pursuit of policy; noninterference in the internal affairs of other nations; the use of peaceful methods to adjust differences; the faithful observance of agreements; the modification of such agreements, when essential, by mutual understanding and orderly process; the reduction and limitation of overburdening military armaments; and cooperation and interchange in the economic field.

These are the real terms of peace. They emerge from the record of history, that chronicle of long struggle between war and peace. They cannot be effaced from the mind of those whose aim is peace. Neither clever diplomacy nor immense armies can be an adequate substitute. They are the chief mainstay of peace, order, progress, and civilization.

This Government is pledged to them. Within the last few weeks more than 50 other governments have placed themselves on record in their support. By their test the utterances and actions of statesmen can be measured. Each country must apply them in its own actions, scrutinize, and judge itself. This, alas, is so much more difficult than to find the cause of all difficulty and evil in others and to rally national unity upon simple fear or hatred of someone else.

Through economic interchange and cooperation the opportunity is presented for all nations to live a satisfactory and improving type of life. Today the growing economic productiveness of the world is being absorbed in large part to make armaments; is being used to prepare ruin. Turn these resources and energies into the things that go into peaceful living, and all countries will find that the conditions of life can be and will be vastly improved. Economic betterment brings hope and extended opportunity to our individual lives, and so fosters the wish for peace. Peoples that are employed and prosperous are not easily incited to either internal or international strife. But peoples living in want and misery come to hold life cheaply and stand ready to gamble upon the use of force.

In recognition of this fundamental relationship between peace and the economic well-being of the citizen, our Government 3 years ago entered upon its policy of rebuilding our own foreign commerce and international trade generally through the medium of trade agreements. We have made headway in that program despite difficult economic conditions at home and disturbed political and economic conditions elsewhere. We shall go on with it. The benefits of trade need no armies. They injure none. On the contrary, they are calculated to bind together the people of different countries by a mutual interest that calls for peace. They can greatly lessen the effect of the inequalities and limitations of territories and resources as between different countries—and war can never do that except to the uncertain advantage of a very few countries at the expense of others. Through enlarged trade there can come an equilibrium of peaceful interest more stable than the equilibrium of matched cannon and airplanes. And so I express the earnest hope that this campaign by the National Peace Conference for world economic cooperation will go forward with accelerated vigor and success here and elsewhere.

The United States stands somewhat apart from the deep fears and hostilities that are found in the world. That gives us our great opportunity to be a leader in the effort to make effective the conditions of peace and sanity. I am sure no other ideal is closer to the emotions and dreams of the American people. We must give to these purposes all the effect they may have as a policy of a great, unified, and thriving country. Each individual American citizen can do something toward making them great and effective. For as each individual makes an unselfish contribution toward proving the belief of our founders that our free and liberal democracy is the best form of government in the world, he will be endowing them with life and influence. And, further, as a united nation we must keep ourselves strong, fearless in spirit, and wholly adequate in the matter of self-defense, so that all may know that these principles represent the wish for peace of a country unafraid but devoted to peace.

DEPARTMENT OF STATE,
September 18, 1937.

Address of the Honorable Cordell Hull, Secretary of State, at the National Commander's Dinner of the American Legion, in the Hotel Pennsylvania, in New York City, on Monday, September 20, at 8:30 p. m., D. S. T.

It is my privilege tonight to bring to you of the American Legion personal greetings from the Chief Executive of our Nation. The President regrets his inability to be with you in person, to reminisce with you over the events of 20 years ago and to discuss the pressing problems of the present day. He has asked me, however, to tell you that he is following your convention with keen interest. He is ready, as always, to give serious thought and careful consideration to your suggestions and resolutions.

You represent a great cross section of American life. You embrace all races, creeds, and colors. Joined by the bond of common service during the World War, you have associated yourselves in a patriotic organization that transcends partisanship, and has only the well-being of our great Nation in view.

If I talk to you for a few brief minutes tonight about the international situation, it is not primarily to tell you what we have done these past 4 or 5 years, but to sketch for you the world situation as I see it, and to outline some of the problems that confront us.

You can all remember the hope that was in our hearts when the armistice was declared. We believed that we were on the threshold of a new world, and that the old discords, greeds, and bigotries had once and for all been destroyed. We pictured the commencement of an era, with the passions of the war gradually subsiding, and with a growing realization that each nation stood to gain by the prosperity of other countries. We envisaged a rising standard of living, a liberalization of legislation, an increasing flow of trade, a growth in mutual confidence, and an abiding respect for the pledged word. And now, less than 20 years later, these hopes have almost turned to ashes. We see that in all too many sections of the world the standard of living is being lowered, democracy is being supplanted by other types of government, trade is being stifled, fears and suspicions are rampant, and even treaties—the most solemn interchanges of nations' promises—are being torn to shreds. The world as we see it today bears scant resemblance to the world we all longed for—to the world which you members of the Legion felt you fought for.

But it would be doing an ill service merely to point out symptom after symptom of international deterioration. It is only of use if we can draw from it certain lessons which will help us to avoid a new catastrophe, one which might well engulf the civilization we have built up through centuries of patient effort. We must look at it not from the point of view of despair but as a challenge to constructive statesmanship.

Peace must always be our goal; not peace for ourselves alone, but peace throughout the world, for nations today are so interdependent that the repercussions of war affect neutrals only a few degrees less than they affect belligerents. The dislocation of the whole economic structure, the artificial expansion in war industries, the abnormal prices paid for key products, the strain on currencies, the destruction of capital, all these affect nations thousands of miles from the scene of actual conflicts. Peace is not only the goal of the idealist; it is at the same time the cornerstone of international self-preservation.

What can we do to help? I believe that we can do more than in any other way by avoiding the two extremes of policy. One extreme would be utter isolation, which would mean closing our eyes to the realities of the world today and assuming, like the courtiers of King Canute, that the rising tide of international anarchy can be stopped before it reaches us; the other extreme would be a kind of internationalism, which would mean abdicating our independence of judgment, abandoning our traditional policy of nonentanglement, and being drawn into the rivalries and disputes of other nations. No; neither of these extremes offers us a solution. We must draw the best from each and follow a middle course. This I have termed enlightened nationalism.

Let us review our role for a moment and see if we have in fact been taking this course and at the same time doing our full part in lightening the burden and easing the fears from which the world is suffering. We have taken part in every effort for disarmament and are prepared today to lend our full weight in any genuine renewal of a drive to limit and reduce the bankrupting burden of arms. We are negotiating a series of treaties designed to reduce the excessive barriers to world trade in order to restore to its natural flow commerce that has been artificially diverted or obstructed. We have assisted in the stabilization of currencies through the tripartite agreement. We have restated the principles on which normal international intercourse is based at a time when discouragement was rife and when nations were forgetting their pledged word in the pursuit of contrary policies. We have avoided involvement in the disputes of others and yet shown that we demand respect for our rights and safety for our nationals. We have made it clear that while we are resolved by every means to avoid war, we are not and cannot be indifferent to policies that lead to war or to instances of international lawlessness that disturb the peace.

These policies I have listed are but a few of the landmarks on the road we are following; it is not always easy to avoid a turn-off, but if we keep to this road without faltering, and if other nations in their own ways will follow similar paths, then the youthful generation throughout the world today will be spared the experiences you had to live through two decades ago.

There is one other thought I would leave with you tonight, and that is to emphasize the price we all attach to keeping our American traditions and beliefs untouched. We are a young country, with infusions of blood from many nations of the world, often with conflicting philosophies and divergent senses of value; and it has been the genius of America that instead of losing vitality from a mixture of these different elements we have drawn new strength from them, and merged them into a single nation, having its own traditions, its own beliefs, and its own institutions. Men who have come to our shores and settled in our midst have not looked backward to the lands from which they have come but forward to their future and their children's future in the United States. They have become an integral part of us, anxious to adopt our ways, to think our thoughts, to acquire our tolerance, and to share in our national life. If ever our population of foreign birth should put America second, if ever it should subordinate American interests to the interests of some other country, by accepting directions given by governments or political parties abroad, then, indeed, a situation would arise that would fill us with foreboding.

You, members of the American Legion, learned by experience and sacrifice, as perhaps no other group, the true meaning of the American ideal. You can hold high the torch in case others should forget. You can impart knowledge to those who wish to learn the true meaning of our beliefs; and you have a still greater opportunity, for, as during the war you helped to forge new traditions for us, you can, by precept in time of peace, carry on the work of perfecting our Americanism.

DEPARTMENT OF STATE,
October 18, 1937.

Address of the Honorable Cordell Hull, Secretary of State, at the University of Toronto, Toronto, Canada, at 3 p. m., eastern standard time, October 22, 1937.

I am deeply appreciative of this opportunity to visit the University of Toronto. Institutions of learning have, of necessity, much briefer history on our side of the Atlantic than they do across the sea. Yet, building upon the foundation of a cultural heritage far older than the national existence of their countries, many universities of the Western Hemisphere have developed splendid traditions of scholarship and public service. Among these, your university occupies a deservedly high place. Your city, your Province, your whole country are justly proud of its attainments. And I am delighted to be admitted to the distinguished company of those upon whom you have chosen to bestow the honor of which I am the recipient today.

In these days, when tragic and menacing world developments beat relentlessly upon the consciousness of each one of us, it is well to find a brief respite in an atmosphere far removed from the grueling pressure of day-to-day, almost minute-to-minute, problems constantly clamoring for solution. In such an atmosphere it is well to renew one's faith and hope through a calm contemplation of what is fundamental in man's unceasing search for a better world.

I

The all-embracing preoccupation of all of us may be summed up in one word—order. By that word I mean such an arrange-

ment of human relations as is conducive to the greatest possible development of human welfare—material, moral, and spiritual.

Civilizations, ancient and modern, have always been basically concerned with the problem of order. The origins of law, the origins of government are found in man's eternal striving to place the relations of individuals, bound by communal ties, upon a basis of recognized and accepted rights and obligations with respect to each other, as well as with respect to the community as a whole.

Today most of us know, almost by instinct, the precious worth of order in our individual lives and in our national existence.

We have become accustomed to measuring progress by our success in evolving those forms of social organization which confer upon the individual, in greater and greater degree, the benefits of material improvement, of decent ethical relations, of intellectual development, and of spiritual growth. Theoretically, it is possible for an individual to lead a hermit existence, and for a family or a community to segregate itself and attempt to live solely within and unto itself. But in the end, an inexorable price must be paid for such isolation; and, directly or indirectly, that price is always paid by the individual. The activities of individuals and of communities are so intricately interdependent that the fullness of the individual's life is powerfully determined by the character of the social organization of which he is a part.

Social organization must necessarily be based upon laws as the instruments of defining the commonly accepted rules of individual and social conduct. We have discovered through long experience that none of us can share more than precariously in the benefits of the higher forms of social organization toward which humanity has evolved through centuries of costly effort—unless the laws upon which that organization is founded are devised equitably and constructively and are administered wisely and fairly. We have also discovered that none of us is secure in the pursuit of his profession or employment; in the maintenance of family and neighborly relationships; or in the enjoyment of intellectual or religious companionship unless the community in which we live and the nation which comprises the aggregate of such communities be free from breach or defiance of the laws by which they are governed.

Order within a community or a nation must necessarily be based upon a general observance of law by the individual citizen. Let such observance waver through a flouting of the existing laws by any substantial portion of the community or nation, and the whole structure of civilized existence in that community or nation will become impaired and will ultimately disintegrate. All the immeasurable benefits conferred by social organization will then be brought down in ruin, and man will again revert to what we are now accustomed to regard as barbarism.

Finally, we have discovered from long and bitter experience that only such laws will produce order in the true sense of that word as derive their authority from the consent of the governed and are subject to change only by the will of a majority of the people. Ambitious individuals may usurp that authority and arrogate to themselves an unchallengeable right to impose or alter laws. But such usurpation and arrogation, though in some instances they may be accompanied by an outward semblance of order, are in fact supreme acts of lawlessness.

No community and no nation can continue to base its organized existence in part on order and in part on chaos, in part on law and in part on lawlessness. Sooner or later one or the other must triumph.

II

In the evolution of our civilization, the development of the concept of order based on law, as applied to the internal life of a nation, far antedates the recognition and acceptance of that concept in the sphere of relations among nations. International law, as we know it today, is of comparatively recent origin. The vital need of internal order is far more deeply embedded in our social and political consciousness than that of international order.

Yet order in international relations is just as vital as it is in relations within a nation. The interdependence of nations is as much a fundamental factor in the organization of civilized existence as the interdependence of individuals comprising communities and of communities comprising nations. Theoretically, a nation can isolate itself from the rest of the world. But just as in the case of an individual who would lead a hermit existence and of a family or a community which attempts to segregate itself, an inexorable price must be paid, and, in the end, paid by individuals through a lowering of their material, moral, and spiritual standards.

In the world of today, nations are parties to numerous mutual relationships. If these relationships are to be conducive to the promotion of human welfare, it is necessary that the rules of international conduct be defined and that these rules be honored and observed. The behavior of nations toward each other has a crucial significance for each and all of them.

International law is the instrument by means of which the rights and duties of nations become generally recognized and accepted, and, therefore, the rules of international conduct become defined. It is the basis of international order in the same way that domestic law is the basis of internal order.

International law grows out of negotiated agreements by means of which nations pledge themselves to the acceptance of definite rights and duties in those spheres of action with which the particular agreements deal. A significant aspect of progress, as we have become accustomed to view it, relates to the degree of completeness with which such agreements tend to cover all basic

relationships among nations. Hence progress is closely linked up with the extent to which the area of international conduct, unregulated by law, grows smaller and smaller.

III

The maintenance of international order depends not only upon the acceptance by nations of agreed rules of conduct but also upon their observance of such rules. Both of these are sovereign acts on the part of the national entities concerned. Back of them there must be certain indispensable attitudes.

There must be a firmly established sense of mutual respect and consideration of nation for nation. The very essence of an international agreement is destroyed if any one party to it arrogates to itself a position of superiority with regard to the other parties or the right, solely by its own decision, to denounce it or to alter the application of its terms.

There must be a firm belief in the inviolability of the pledged word. International law is not enforceable in the same sense as domestic law. The observance of the duties which it imposes and the safeguarding of the rights which it confers rest primarily upon voluntarily accepted self-discipline on the part of the nations which are parties to it.

There must be a willingness to adjust differences by peaceful means—without the exaction of victory or the infliction of humiliation. No conflict is really settled unless the terms of its settlement are reasonably acceptable to both sides.

All these may be called considerations of abstract morality. They are, and, as such, they represent a tremendous historic force in the relations among individuals, as well as among nations. But they are also the very foundations of progress and civilization in every phase of human existence. In a profound sense they are determining factors of the material and cultural well-being of mankind.

Our economic civilization has developed on the basis of a substantial interchange among the nations of commodities, services, and ideas. This development has not been fortuitous. Because of natural endowment and climatic conditions, the basic materials of sustenance and production are unevenly distributed among the different areas of the earth. Similarly the progress of invention and the acquisition of the various skills which enter into the productive process proceed unevenly in different nations. Economic advancement in any nation is greatly affected by whether or not the people of that nation have access to the natural resources and to the gifts of inventive genius and technical progress of the whole world, rather than merely those circumscribed by its national boundaries.

Nor can the flowering of science, intellect, and the arts attain its highest and its rounded development when confined within the frontiers of a single nation. The records of history, as well as the testimony of observation, offer striking evidence of the universality of culture and of the surpassing value of learning from the experience and attainment of others no matter how many national frontiers may intervene.

Only in a world in which international order prevails can individuals of any nation obtain access to all these gifts of economic and cultural advancement. Impair that order, and there will be a universal lowering of both material and cultural standards—a growing and deepening decadence in all phases of life.

IV

International order may be impaired in many ways. Widespread violation of treaties or agreements which embody the law of nations will quickly bring the very concept of such law into disrepute and destroy its immense usefulness. Suspicion and distrust will lead nations into courses of action, harmful alike to themselves and to others.

Economic policies directed, not toward the promotion of mutually beneficial commercial and financial intercourse among nations, but toward the wresting of apparent immediate advantages at the expense of long-range benefits, inevitably push nations in the direction of isolation or other forms of economic warfare. This, in turn, inexorably results in increasing economic and social strain within nations, which may lead to a break-down of orderly processes of government and may even lend the appearance of attractiveness to military adventures. Economic warfare only too frequently is the precursor of armed conflict.

Interference by one nation in the domestic affairs of another, refusal by a nation to recognize and respect the independence, sovereignty, and territorial integrity of another, represent still other types of lawlessness in international relations which destroy order based on law. They, too, frequently result in armed conflict.

No matter what form it assumes, and no matter from what causes it springs, war represents the most complete negation of order in both the internal and the international life of nations. Armed conflict disrupts and destroys all those numerous relationships which advance and ennoble the lives of individuals and of nations. It harnesses to the chariot of its death-dealing fury the energies and abilities which should be devoted to the promotion of human welfare. It draws irresistibly into its vortex of destruction the material resources of mankind. It sweeps aside moral and spiritual values cherished zealously through periods of peace. It lowers every standard of civilized existence.

Under modern conditions, no group of the population within a nation engaged in a conflict escapes the ravages of war. Warfare today is no longer primarily a matter of armed forces hurled against each other on the battlefield. Entire populations become active participants and potential victims. The line of demarcation

between combatants and noncombatants tends to disappear as the advancing technique of war provides evermore powerful weapons of destruction.

Under modern conditions no nation escapes the repercussions of a major armed conflict anywhere in the world. However far they may be removed from the seat of actual fighting, all nations feel their morale weakened by the horror of war and their well-being impaired by the processes of disruption and ruin which spread in ever widening circles from the territories being laid waste by war. Once the engines of war are brought into action in any portion of the earth, there is no security, no confidence, no buoyancy of energy or spirit anywhere.

v

There is a grim paradox in the trends which are so clearly discernible today. As civilization moves to higher and higher levels, as the march of progress opens wider and wider horizons of material and cultural advancement, war becomes more relentlessly cruel, more thorough and effective in its unrestrained savagery.

Yet in this very paradox, in this soul-shattering contrast, there are seeds of hope. No more than a community or a nation, can the world of today base its existence in part on order and in part on chaos, in part on law and in part on lawlessness. And just as, sooner or later, the outraged conscience of a community or a nation sets into motion forces which reestablish order under law, so, I firmly believe, the outraged conscience of mankind will set into motion forces which will create, in the sphere of international relations, unshakable order based on law.

There is a special appropriateness in my saying all this on the soil of a great member of the British Commonwealth of Nations. My country and the countries which compose your mighty union are among the protagonists of the idea that peace, rather than war, is the normal state of human relations, within and among nations. A strong conviction that the forces of order based on law are the forces of peace, and that peace, in turn, is indispensable to civilization and progress, is deeply engrained in the individual and collective consciousness of our peoples.

Modern civilization has survived and has gone ever forward because the violators of order, the breakers of the peace, have always been the exception rather than the rule. Whatever tragedies they have caused during their brief appearances on the stage of history, in the end they have always bowed to the will of that overwhelming majority of mankind which desires a continuing advance, rather than an inglorious decline, of man's civilized existence.

EXTENSION OF REMARKS

Mr. O'NEILL of New Jersey. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a statement from the Newark Evening News.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. MARTIN of Colorado. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a brief letter from a constituent on the pending farm bill.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks at the point in the RECORD where I asked a question of the gentleman from Tennessee.

The SPEAKER. The gentleman from South Dakota asks unanimous consent to extend his remarks in the RECORD at the point where he interrogated the gentleman from Tennessee. Is there objection?

There was no objection.

Mr. McCLELLAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter from a constituent regarding maintenance of peace and my reply thereto.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. ZIMMERMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a resolution passed by the cotton growers of southeast Missouri with reference to the pending farm bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER. The Chair will count. [After counting.] One hundred and eighty-six Members present, not a quorum.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

[Roll No. 10]

Aleshire	Cravens	Harter	Shanley
Andrews	Cullen	Healey	Simpson
Atkinson	Daly	Hildebrandt	Smith, W. Va.
Bates	Dorsey	Holmes	Snell
Binderup	Drewry, Va.	Honeyman	Somers, N. Y.
Boehne	Duncan	Johnson, Minn.	Sullivan
Boylan, N. Y.	Ellenbogen	Keller	Summers, Tex.
Bradley	Elliott	Kocialkowski	Sweeney
Buckley, N. Y.	Evans	McGroarty	Swope
Burdick	Forand	Maas	Tinkham
Byrne	Gasque	May	Towey
Cannon, Wis.	Gavagan	Mosier, Ohio	Fred M. Vinson
Celler	Gifford	O'Leary	Weaver
Citron	Halleck	O'Toole	Whelchel
Cole, Md.	Hamilton	Pfeifer	Withrow
Connery	Harlan	Phillips	
Costello	Hart	Sabath	

The SPEAKER. On this roll call 359 Members have answered to their names, a quorum.

Mr. RAYBURN. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

EXTENSION OF REMARKS

Mr. WOODRUFF. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in connection with those I made last Wednesday and to include therein certain tables and two short letters.

The SPEAKER. Is there objection?

There was no objection.

Mr. McLEAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a radio address by my colleague, Mr. HARTLEY, on the wage and hour bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein some minor quotations.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address by the Director of the Federal Bureau of Investigation.

The SPEAKER. Is there objection?

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short article by Dudley Nichols, the playwright.

The SPEAKER. Is there objection?

There was no objection.

PAYMENT OF MILEAGE, SECOND SESSION, SEVENTY-FIFTH CONGRESS

Mr. TAYLOR of Colorado. Mr. Speaker, I move to suspend the rules and pass House Joint Resolution 525, to make the existing appropriations for mileage of Senators and Representatives immediately available for payment, which I send to the desk and ask to have read.

The Clerk read as follows:

Joint resolution to make the existing appropriations for mileage of Senators and Representatives immediately available for payment

Resolved, etc., That the appropriations for mileage of the President of the Senate and of Senators and for Representatives, the Delegate from Hawaii, and the Resident Commissioner from Puerto Rico, and for expenses of the Delegate from Alaska, contained in the Legislative Branch Appropriation Act, 1938, are hereby made available for and authorized to be paid to the President of the Sen-

ate, Senators, Representatives, Delegates, and the Resident Commissioner from Puerto Rico for attendance on the second session of the Seventy-fifth Congress.

The SPEAKER. Is a second demanded?

Mr. TABER. Mr. Speaker, I demand a second.

The SPEAKER. Is the gentleman opposed to the resolution?

Mr. TABER. I am.

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. The gentleman from Colorado asks unanimous consent that a second be considered as ordered. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Colorado is entitled to 20 minutes and the gentleman from New York to 20 minutes.

Mr. TAYLOR of Colorado. Mr. Speaker, this resolution speaks for itself. The money for the payment of mileage for the second session of the Seventy-fifth Congress was appropriated at the last session. This is the second session, but it requires a resolution to make that money available at the present time. This resolution says nothing about whether or not Congress will make an appropriation for mileage during the next session. I may say that the precedents in relation to this matter are just about the same, whether the Republicans have been in power or the Democrats have been in power. The extra sessions of the Sixty-third, Sixty-fifth, Sixty-sixth, Sixty-seventh, Seventy-first, and Seventy-third Congresses show that. Whenever an extra session has adjourned before the regular session of Congress, even though only a week or so intervenes, Congress has voted itself the mileage for that extra session. Whenever the extra sessions run into the next session, without any intervening days, and I think there was only one such, and that during the World War, no mileage was granted for the extra session. But this resolution does not at all bind or affect whatever action may be taken by the next regular session. This resolution is strictly in accordance with the action of Congress for a great many years. The amount involved is about \$175,000 for the House and about \$50,000 for the Senate.

It is purely a question of whether or not the House desires to make the money heretofore appropriated for this purpose available at this time. I have here a statement of the dates of commencement and adjournment of each of those extra sessions and of the resolutions and actions of each of those Congresses on this mileage subject. Nearly all Congressmen make many trips to Washington and many other places purely on official business for which they are not reimbursed at all. This allowance is really a travel expense account.

Personally I have always felt that the word "mileage" is a misnomer. I feel that it ought to be designated in the appropriation as a travel expense allowance for each Member in the performance of his official duties.

The yardstick by which the amount is measured is the distance that he lives from Washington.

We bring our wives and children here with us at our own expense. We nearly all have to go home during every session at our own expense, and we often have to come to Washington between sessions at our own expense. We ought not to be required to pay those expenses out of our salary in order to perform our official duties.

However, you all understand the situation. The matter is up to the Members of the House. I am directed by a large majority of the Committee on Appropriations to offer this resolution, and I am doing so as the chairman of that committee.

I reserve the remainder of my time.

Mr. TABER. Mr. Speaker, I yield myself 8 minutes. This resolution is to pay mileage to Members of Congress. I call the attention of the House to the situation of the country and to the situation that we confront as we consider

this resolution, and to the things that to my mind are important in its consideration. This is the third day in the tenth month of the sixth year of the emergency administration. It will go down in history as the greatest creator of emergencies that the world has ever known. At the present time we are called into special session perhaps because of the latest emergency which this administration has created—the emergency that has resulted in a stoppage of the wheels of industry and of employment because of the tax upon undistributed earnings, because of the National Labor Relations Board Act, and the extreme administration, partisan administration, of that act, because of the size of the capital-gains tax, because of the fear in the hearts of the people of the passage of an agricultural bill designed to regiment the farmers and reduce agricultural production at a time when many of our people are underfed, and because at the same time it will regiment and enslave the agricultural workers; because of the fear of the so-called wage and hour labor bill, designed to regiment and enslave labor and reduce the employment of labor, and at the same time reduce the purchasing power of labor; and because of fear of the reorganization bill, designed to destroy the effective auditing power of the Comptroller General, so that the appropriating power of the Congress will no longer be effective.

Now, gentlemen, we are assembled here in extra session. Have we taken any steps to repeal the undistributed-profits tax? Have we taken any steps to put the National Labor Relations Board in its place and prevent it from destroying business and employment? Have we taken any steps to get rid of the size of the capital-gains tax?

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. TABER. I cannot yield to anyone. I do not have the time.

Have we taken any steps to get rid of the size of the capital gains tax? Oh, no. We have passed one resolution to provide \$12,000 to pay the pages of the Senate and the House, and, as a second measure of emergency, we have before us a resolution to pay the mileage of the Members.

I am not going to say that the Members are not entitled to their mileage, but what does this resolution do? It not only provides for the payment of the mileage of the Members at this session, but it throws the door wide open, without any further legislative authority, to pay mileage in the regular session too; and without our having, prior to the passage of this resolution, passed an adjournment resolution sufficiently far ahead of the convening of the third session of this Congress so that we would know the Members would have an opportunity to go back to their homes between the two sessions.

Now, there is no authority in law for the passage of a resolution for the payment of the mileage of Members at this special session. Under all these circumstances, and with this the principal business of this emergency session of Congress, we are called upon to suspend the rules, because the resolution would not be in order under the regular rules of the House. To my mind, we have set about the wrong way to proceed in this matter. We have set about convicting ourselves of failure to get at the root of the economic situation in this country. We have set our star in the direction of more confusion and more bad emergency legislation and the destruction of the very liberties of the American people.

I hope that this Congress will not consent to the passage of this resolution in this form. [Applause.]

[Here the gavel fell.]

Mr. TABER. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. BACON].

Mr. BACON. Mr. Speaker, I have no complaint to make about the payment of mileage. Most of us use, in official travel, a great deal more money than we get in mileage. I do, however, protest against the adjournment of Congress before the real emergency confronting this country is met.

Mr. BEVERLY M. VINCENT. Mr. Speaker, will the gentleman yield?

Mr. BACON. I cannot yield. This resolution presupposes the adjournment of Congress on the 22d of December. We have practically accomplished nothing so far since we have met in this emergency session.

When the President called the emergency session together he enunciated a five-point program. At that time the business recession, which is gradually going into a major depression, had not yet become evident. It seems to me that when the Congress did meet on the 15th of November it would have been wise patriotism on the part of the administration to have said to Congress, "I called you in session for a five-point program. Since I called you in session for that program, a depression is upon us. I therefore suggest that this five-point program be postponed until the regular session, and that this emergency session be taken up with measures to lift the business depression that is upon us and to help the hundreds of thousands of men who have lost their jobs since we met on November 15. Tax revision as the first step is certainly indicated.

We have accomplished nothing. There are many things that this administration could do to help the present situation in this country. I call upon Congress to take the lead if the President will not. I call upon Congress to recognize the situation that is gradually getting worse, and if the President insists upon going to Florida, let the Congress act and let the Congress do something to help the situation. It ill-behooves us to adjourn on the 22d of December, just before Christmas, having in mind hundreds of thousands of men who will be out of work during the Christmas season, who will not have a pay check coming in every day. It is going to be a sad Christmas for them, and we could do something for the country if we used the Christmas season to help those in distress. [Applause.]

[Here the gavel fell.]

Mr. TABER. Mr. Speaker, I yield the balance of my time to the gentleman from New York [Mr. FISH]. [Applause.]

Mr. FISH. Mr. Speaker, ladies, and gentlemen, I will relieve your worries. I am not against this resolution. [Laughter and applause.] I do not see how I could be against it, in view of the fact that the President of the United States is now enjoying his mileage at the expense of the Government—his fishing trip and his yacht. I think we had better add a yacht to this resolution for Members of Congress. [Laughter and applause.]

I agree with the logic of both gentlemen from New York [Mr. TABER and Mr. BACON] in saying that we should stay here in this depression and try to legislate in the interest of the people by restoring confidence and putting American wage earners back to work.

There was no depression when we were called back into special session. Nobody but the President knows why we were called back; that has been a dark secret, and he has not taken the Congress or the American people into his confidence.

I rose, however, Mr. Speaker, on a very important issue, and that was to discuss this Roosevelt-made depression.

The administration, in football parlance, started off in 1933 like a championship team. Its plays clicked. It had a powerful ground-gaining offensive. It smashed the line, it ran the ends, it passed beautifully. It had teamwork, and its plays were executed with precision. It moved forward toward the goal line of recovery, prosperity, and employment.

However, after making a fine start, it became confused and bewildered and lost sight of its objective, to put American people to work. Instead, it attacked business and smashed it into smithereens and little bits, and destroyed confidence.

Now the New Deal team is back on its 1-yard line, evidently with no plans or plays. It will be interesting to watch the former great quarterback call his plays and try to get out of the coffin corner in finance and economics and restore confidence.

From the side lines it appears that there is no longer any teamwork; the quarterback seems stunned and confused, the

team sluggish and slow. What new plays has the quarterback devised for this emergency on his own 1-yard line? What will be his strategy? Millions of American wage earners are anxiously waiting to find out. We have been in session 3 weeks, and nothing has been tried or accomplished. The American people have a right to know. The Congress has a right to know.

I challenge the majority leader to state what the New Deal team proposes to do to get us out of the Roosevelt depression and put our people back to work.

Mr. DUNN. Mr. Speaker, will the gentleman yield?

Mr. FISH. I will yield to the majority leader and to no one else.

I call on the majority leader [Mr. RAYBURN], who was so quick to move to table my resolution calling for an investigation of the charges made of political promises in return for signatures to the wage and hour petition, to take us in his confidence and tell us how the administration proposes to get out of the coffin corner and put the American people to work.

We have been in session for 3 weeks, we have less than 3 weeks to go; and yet, in this great depression with 1,000,000 people out of work who were not out of work 2 months ago, with another 1,000,000 Americans on part-time work, and probably 2,000,000 more will lose their jobs before the middle of the winter, the President has not proposed one single constructive plan or policy to get the American people back to work or even save their jobs and has not given us any work to perform in the House of Representatives. If you want to call the farm bill the solution, while it may be a partial solution for the farmers of the cotton and tobacco districts of the South, yet to 100,000,000 people in this country it means higher costs of foodstuffs, higher costs of the necessity of life, higher costs of clothing. The President said that one-third of our people are ill-fed and ill-clothed. Forty million people, according to the President, are ill-fed and ill-clothed, yet all you Democrats propose is to raise the cost of living, the cost of food, and the cost of clothing to these people who are now losing their jobs by the thousands day by day while we continue to take our mileage and have not put through any legislation at all that would relieve the business depression, restore confidence, or employ labor. [Applause.]

Mr. TAYLOR of Colorado. Mr. Speaker, I yield the balance of my time to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Speaker, this resolution is presented by direction of the Committee on Appropriations. It is the usual resolution. It conforms in every respect with the resolutions which have been offered on similar occasions at special sessions for the last 50 years. It does not appropriate money; it does not take a dollar from the Treasury. The money has already been appropriated. It merely makes available money which previously has been provided for mileage at the first session of the Seventy-fifth Congress.

Mr. Speaker, we have here this morning the rather anomalous situation of three members of the minority, ostensibly opposed to this resolution, but failing to raise any issue on the question involved. The first gentleman from New York, the distinguished ranking minority member of the Committee on Appropriations, after discussing every possible subject from farm relief to reorganization, agreed that mileage was due. He made it clear that he was not opposed to it per se. The second gentleman from New York prefaced his remarks with the statement that Members were entitled to this mileage. The third gentleman from New York said emphatically that he was not opposed to the subject or to the resolution. Therefore, Mr. Speaker, in view of the outspoken unanimity on the part of the minority in favor of the pending resolution, I ask for a vote at this time. [Applause.]

The SPEAKER. The question is, Shall the rules be suspended and the resolution passed?

The question was taken; and on a division (asked by Mr. TABER) there were—ayes 327, noes 37.

Mr. TABER. Mr. Speaker, I ask for the yeas and nays. The yeas and nays were refused.

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution was passed.

A motion to reconsider was laid on the table.

THE FARM BILL

Mr. JONES. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 8505) to provide for the conservation of national soil resources and to provide an adequate and balanced flow of agricultural commodities in interstate and foreign commerce. The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 8505, the farm bill, with Mr. WARREN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Under the unanimous agreement heretofore entered into, the Committee will now return to the consideration of section 201, page 14, which the Clerk will read.

Mr. JONES. Mr. Chairman, I find that another Member who is very much interested in section 201 is compelled to be away this afternoon. I therefore ask unanimous consent that the consideration of section 201 be passed over until tomorrow.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that the consideration of section 201 be passed over until tomorrow. Is there objection?

Mr. LUCAS. Mr. Chairman, reserving the right to object, if that is agreed to will the chairman of the Committee on Agriculture also ask unanimous consent to pass over the consideration of the corn section until tomorrow?

Mr. JONES. That is all right with me, because we will have plenty of work to do today, anyway. If that is desirable, I will be glad to include that in my request. Mr. Chairman, I also ask unanimous consent that the further consideration of part 2 of title III be passed over until tomorrow.

The CHAIRMAN. The gentleman from Texas [Mr. JONES] asks unanimous consent that further consideration of section 201 and part 2 of title III be passed over until tomorrow. Is there objection?

Mr. WADSWORTH. Mr. Chairman, reserving the right to object, I do not know what that is.

Mr. JONES. Section 201 is the loan provision, in which some Members are interested who cannot be here today. Part 2 of title III is the corn provision, which those who are interested in prefer to have disposed of after the loan provision is disposed of.

Mr. WADSWORTH. That leaves consideration of the tobacco section?

Mr. JONES. Yes; as well as other pending provisions, including the cotton section.

Mr. GILCHRIST. Mr. Chairman, reserving the right to object, will the gentleman indicate whether we will consider part 2 of title III?

Mr. JONES. That goes over until tomorrow under the unanimous-consent request.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Committee will, then, return to the consideration of part 1, title III, which is still open for amendment.

Mr. GEARHART. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, if the drafters of this unconscionable measure drew it with the deliberate purpose in mind of destroying the cultivation of cotton in California, they could not have phrased it more expertly.

It is the most unfair, the most unjust proposal ever presented to a legislative body for its consideration. It is nothing less than a brazen attempt at legislative racketeering, a cruel effort to confer monopolistic advantages upon one section of our country to the detriment of another equally de-

serving of the sympathetic consideration of our common country.

This bill was conceived in greed, was born in selfishness, and, if permitted to develop into legislative completeness, will be nurtured on avarice and fattened on plunder. In its wake will be found the wreckage of thousands upon thousands of American homes, once the abodes of happy and contented families, smiling wives, laughing children. Where once prosperity and plenty abided will be found the sheriff and the hated foreclosure decree. But those that covet that which others have toiled to achieve laugh at such tears!

How can the friends of this legislative abomination even pretend a different purpose? If it is a reduction of the quantity of cotton that they seek to accomplish, why have they not brought in a bill to control the production of cotton? Why do these bill drafters seek to reduce acres rather than bales? Is it because California produces 580 pounds to the acre, whereas in the Southern States of the old Cotton Belt the poundage produced is only 262? Is it possible they could have been thinking how nice it would be to compel California to forego a bale for each of her acres that are taken out of production while the States of the old Cotton Belt, under a more favorable operation of the reduction formula, would be required to forego but a half of a bale for each acre that is to be retired from cultivation there?

Whether or not thoughts as base as these were in the minds of those who inspired this unjust proposal, California will be compelled, nevertheless, to yield one bale for every one-half bale the South is compelled to forego. And still there are some that say this bill is fair!

And how does the reduction-by-acres idea operate under the formula contained in this baneful measure? All will agree that the 33,736,000 acres devoted to cotton in 1937 have produced too much cotton for the domestic and world markets to consume. According to the consensus of opinion, the utilization of 28,000,000 acres would make available a crop sufficient for all purposes and needs. Did the bill drafters proceed to the devising of a reduction formula which would have imposed on the cotton-producing areas of the Nation a reduction program that would operate equally, fairly, and evenly upon all sections of the country? Did they say to California, to Mississippi, to Alabama, to all of the cotton-producing States, "Reduce your cotton production by 17 percent"? Not at all. They say to California, "Reduce your acreage by 61 percent." They say to Oklahoma, "Reduce your acreage by 3 percent." Texas would be required to reduce 15 percent, North Carolina 12 percent, Mississippi 19 percent, and so on—all of the old Cotton Belt States to the national average of 15½ percent.

Equality! What a mockery. California must reduce her acreage by 61 percent. And the Southern States of the old Cotton Belt shall not be required to forego the cultivation of more than 15½ percent of the land that was harvested within their respective borders this year.

Equality! What a cruel jest. For every acre that California must reduce, better than a bale is taken out of production. For every acre that the States of the old Cotton Belt shall not cultivate, only one-half of a bale will be taken out of production.

If that is equality; if that is fairness; if that is justice—then those words that I learned at my mother's knee have taken on a strangely inappropriate meaning.

Gentlemen of the old South, I appeal to you to join with me in the writing of a formula that will operate justly and equitably in all of our cotton-producing areas. Let us banish from this Hall all thought of profit at another's expense. Let us join hands and march forward together as brothers and coworkers in a great enterprise, to the mutual advantage of all; to the detriment of none.

Gentlemen of old New England, of the North, of the great Middle West and Northwest, that injustice be not done, that fairness prevail, is your great obligation. In your hands is the power to prevent the perpetration of a great wrong. California appeals to you in the name of the thousands upon

thousands of its men, women, and children whose very existence is bound up in a proper solution of this reduction problem; in the name of justice, fairness, equality, and fair play—to help us rewrite the iniquitous provisions of section 355a of this bill, to the end that the right to live and the obligation to let live shall be made inviolate throughout the land. [Applause.]

Mr. JENKINS of Ohio. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, heretofore in the consideration of farm-relief bills, I have resolved all doubts in favor of them and voted in favor of most of them. I did this out of a desire to help agriculture and out of a fear that I might do our greatest industry an injustice. Many legislators are moved by such considerations. But when a legislator feels that the passage of a bill will undoubtedly fail to do what its exponents think it will do and will prove disastrous to our country and to one of our greatest industries, then it becomes a moral question with him, and if his conscience is still alive he will find himself in opposition to that bill, and he will be able to give a reason for his position. I have no doubts whatever in my mind about this bill. My conscience as well as my judgment revolts against it. I may be too zealous about it, but, to my mind, this is a monstrous measure. It is so monstrous in so many different ways that I doubt whether there is a single Member of the House who can give it his full approval and bring his honest judgment and his clear conscience to support it fully and freely. Without impugning the motives of any of my colleagues who shall support this measure, I dare say that the principal consideration that moves them to such a step is not that their conscience approves fully but, rather, that they feel they want to do what they can to assist agriculture and feel that regardless of their own judgment they might be mistaken and do agriculture an injustice if they fail to support the measure.

I have arrived at my conclusion after an honest effort to get the facts and after reading and studying the bill carefully.

One of the principal reasons that I have for my opposition is that I am doubtful of its constitutionality. My views are strengthened mightily by reason of the fact that it is necessary to use 11½ pages of doubtful assertions to bolster its constitutionality. I think that is entirely too much language. If the affirmative portions of the bill fail to show constitutionality, explanatory language will not cure the defect. One of the New Deal practices has been to try to sail among the shoals of unconstitutionality. They wish to get as near the rocks as possible. I assert that when a bill requires 11½ pages to protect its constitutionality this in itself excites suspicion. And when a bill dealing with the most honest and dependable class of our citizens requires six and one-half pages of penalties for its violations, I think it is entirely too drastic.

When about 30 pages of new substantive statutory law is proposed to be written upon our statute books which is so ambiguous and uncertain as that nobody can understand it, and which is not definite until made definite by ratification of an indefinitely defined class or group of people or by the action of the Secretary of Agriculture, I think we should refuse such a proposal.

Laws are made by the affirmative action of Congress and not by the ratification of certain persons or groups of officers. This bill involves a principle of the initiative and referendum which is not recognized in our Constitution. We are going through the legislative processes of enacting a law which to become effective in many ways must be submitted to a referendum. The total result of our action, if we pass this bill, will be that we have started a program which has no apparent beginning or ending and which is not bounded by fixed lines of geography or production. It might include one man and not his next-door neighbor this year and reverse the choice next year. It might apply to one country this year and not apply next year.

What is law? Law is a rule of action. Law is ordered and orderly action. Inaction is not law. In this bill after employing 11½ pages of apologies for its questionable constitutionality, we proceed to attempt to set up a plan, but before we get it set up we find ourselves setting up other plans which must be carried out before the first plan can be set up. So, if we should pass the bill it would be only a skeleton, the flesh and clothes for which must be supplied later. And it is going to take thousands upon thousands of agents and inspectors to do that job. If this program is commenced it will be a permanent addition of untold millions to our National Budget.

I repeat, I am against this bill because it will regiment all our farmers, both big and little. It may be of benefit to some but it will regiment all of them. Nobody will know when he will be classified one way and when another.

I am opposed to this bill because I am opposed to the doctrine of scarcity. I want to help nature to be bountiful. Out of God's bounty shall the people be fed.

I am opposed to this bill because it makes the Government the loser on every program. If there are any profits made on the program the Government does not get it. But if there are losses, Uncle Sam must assume them. Prices are guaranteed at the top price and not at the bottom. If the value of the crop guaranteed falls, the Government loses. But if it rises the Government does not rise with it. If a private trader were in this game he would demand his winnings if he were to be bound for the losses.

I am opposed to this measure for, if it is set up in its full power and glory, we, who have seen some expensive experiments in government in the past few years, will see the most expensive set-up of agents and inspectors that ever worried a patient public.

I am opposed to this bill because it is unwise, unnecessary, unsound, unreasonable, unworkable, unconstitutional, and unconscionable.

To all who agree with me I sound the call to stand together and save our farmers and our country. [Applause.]

Mr. WILCOX. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I have offered this pro forma amendment for the purpose of gaining the floor in order that I may call attention to the agricultural problems of my congressional district and of that section of the State of Florida immediately adjoining my district. For 5 years, in cooperation with the remainder of the Florida delegation, I have voted consistently for every farm relief measure that has been proposed, although no farm legislation which we have heretofore passed has been of direct benefit to my district.

I have tried to look at these farm measures from the broad viewpoint of the welfare of the entire country. I realize that whatever benefits the Nation as a whole indirectly benefits my district and, although we raise not one boll of cotton nor an ear of corn nor a sheaf of wheat, we have gone along with all of these farm programs. I have supported these measures upon the theory that what benefits agriculture generally is of benefit to the country as a whole. This bill is no different from the others so far as my district is concerned. It cannot directly benefit the agriculture of my section because we produce none of the five basic commodities dealt with in this bill.

The declared purpose of the bill, however, is to elevate the price of farm products and assure to the farmer that he will secure a living price for the products of his farm. I am in full accord and thorough sympathy with that purpose. I contend, however, that the farmers of my district are no different from the farmers of your district and, although we do not produce cotton, corn, wheat, rice, or tobacco, we, too, are entitled to reasonable consideration in any program that may be adopted by the National Government.

I am sure I do not have to remind you of the debates had early last spring in connection with the renewal of the reciprocal tariff agreement law.

I am sure that those debates are sufficiently fresh in the memories of the Members of the House as not to require

any extended repetition upon my part as to the agricultural problem of south and central Florida. Suffice it to say that the agreement negotiated with the Republic of Cuba has brought the products of that country into direct competition with all of the products of the First and Fourth Congressional Districts of my State. In the agreement negotiated with Cuba the President reduced the tariffs on practically all Cuban products which are identical with the products of south and central Florida. This means that Cuba, having identical growing and marketing seasons with Florida, is brought into direct competition in the eastern markets with the products of my State.

At that time, early in the spring of this year, I pointed out very definitely and specifically the effect of the Cuban reciprocal-trade agreement on my district. I quoted the facts and figures, and from them showed that as Cuban importation of agricultural products increases the price of similar products of my district automatically decreases in the same proportion, and that as the line of importations goes up the line of the price of the products of my district goes down. I protested against this agreement and have spent 2½ or 3 years trying to secure a modification which would protect the agriculture of my district.

I realize you cannot do anything directly in this bill for the producers of the agricultural products of my district because such products do not lend themselves to the character of treatment dealt with in the bill. Necessarily you cannot store tomatoes, fresh vegetables, citrus fruits, avocados, and celery in times of plenty, lend money against them, and then release them in times of scarcity. However, there is one thing Congress can do which will protect my people from the iniquities of the Cuban reciprocal-trade agreement. In the old Agricultural Adjustment Act we inserted section 22-a, which provides that at any time the President shall find that importations interfere with the programs of the Triple A, the President shall have the right to place embargoes or limitations upon further importations under the Triple A. Necessarily, this does not apply to my district because we have none of such programs in force, for the reason that we do not produce these staple products.

I expect at the proper time to offer an amendment to this bill, and this is the reason for my addressing you at this time. I hope the Committee on Agriculture will carefully consider this proposal, because it is the only way I know of by which you can grant protection to the farmers of my section of Florida, and it is the only way, as I see it, that we can overcome the iniquities of the Cuban trade agreement.

[Here the gavel fell.]

Mr. WILCOX. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. WILCOX. When we reach the appropriate part of the bill, toward the end of it, I propose to offer an amendment to the original Triple A Act, and I hope the amendment will not be objected to, for, as I say, it is the only manner in which you can protect my farmers. My amendment is to the effect that if the President shall find that the importation of agricultural products, including fruits and vegetables, has had the effect of depressing the price of such products below the 5-year average, he shall have authority to prescribe limitations on further importations until the price again reaches the 5-year level. It seems to me this is perfectly reasonable and perfectly fair. It certainly does not interfere with anybody's program.

As a matter of fact, if the importation of agricultural products from Cuba or any other country has the effect, which my people fear it will have, of depressing the price of their products below the 5-year average, then under the amendment which I shall propose, the President will have the right of limiting further importations until the price again reaches the 5-year level.

I hope the Committee on Agriculture, in charge of the bill here on the floor, will look with favor upon this amendment; and I hope the Committee of the Whole will look with favor upon it, because all of these programs have no effect in my district except to increase the cost of living. We are given no direct benefits in compensation.

Now, the practical application of this amendment is this: If the importation of tomatoes or beans or eggplant or citrus fruit from Cuba shall cause a glutting of the market and a reduction in price below the 5-year average, the President will immediately by proclamation reduce the amount which may be imported from Cuba so as to hold the price at the level of the 5-year average.

This is a practical, though partial, solution of the problem of the fruit and vegetable producers of my State. So far as the present bill now under consideration is concerned, it is the only assistance that I know of which can be granted them. It is just, it is fair, and it is reasonable.

If those sponsoring farm relief legislation are sincere in their assurances of a desire to deal fairly with all farmers, and if they have no desire to discriminate against a class of farmers, I can see no reason why they should not accept and support this proposal.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. WILCOX. I am delighted to yield to the gentleman from Texas.

Mr. JONES. May I say to the gentleman that no one has fought more valiantly for the people of his State than has the gentleman from Florida [Mr. WILCOX]. We all respect his views and his fighting qualities. He never overlooks an opportunity to fight for his people and for their rights as he sees them. May I call the gentleman's attention, however, to the fact that in deference to his suggestions and those of some of the rest of us who think it is important, we not only have the soil-conservation features carried forward in this bill but we have a provision that for this current year we will make \$70,000,000 available, and after this year we will make more than \$100,000,000 available for the disposition of surpluses both at home and abroad and for obtaining wider markets for all farm commodities, both here and abroad. The provisions of section 32 of the 1935 amendments and of the \$10,000,000 appropriation are not limited to any specific commodities.

I believe the gentleman has made a contribution in the general discussion heretofore which has tended to bring about recognition for this particular situation.

Mr. WILCOX. I thank the gentleman. I want to express my appreciation and the appreciation of my people for the consideration which the committee and its distinguished chairman have given in this particular regard. Undoubtedly the fund which the committee has provided for the disposition of surplus crops and commodities will have a very beneficial effect upon conditions in my district. And if my efforts have borne fruit to this extent, they have not been entirely in vain. To that extent we do benefit by this act. I hope the committee may find it consistent to go along with me a little further and say that if that provision does not serve to hold the price at the 5-year level, and if, as a matter of fact, the importation of agricultural products does have the effect of depressing the market below the 5-year average, then such importation shall be limited to the extent necessary to hold the price at the 5-year level. After all, what we are all trying to do is to get for the farmer in every branch of agriculture a decent living price for his product without unnecessarily boosting it too high for the consumer to pay, yet at the same time guaranteeing to the farmer some reasonable return.

I can certainly see no logical reason why we should not limit the importation of farm products if such importation is having the effect of lowering the price which our farmers receive. In other words, let us first protect our own farmers. Let us preserve the American market for the American farmer.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. WILCOX. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. I am wondering if the sugar legislation passed at the last session and at previous sessions has benefited the sugar growers of the gentleman's district?

Mr. WILCOX. I should like to discuss that matter, but my time has expired.

[Here the gavel fell.]

Mr. HANCOCK of North Carolina. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HANCOCK of North Carolina: On page 23, strike out the colon after the word "tobacco" in line 5, insert a semicolon, and add the following: "and the needs of the family for which the allotment is made."

Mr. HANCOCK of North Carolina rose.

Mr. JONES. Mr. Chairman, if the gentleman from North Carolina will permit, I wonder if there are many amendments to this section of the bill. We have spent about 3 hours on the tobacco provision.

Mr. ANDRESEN of Minnesota. I have two amendments to offer.

The CHAIRMAN. The Chair may state to the gentleman from Texas that there are about six amendments pending at the desk now.

Mr. GREEN. I have several amendments, Mr. Chairman.

Mr. JONES. Mr. Chairman, I ask unanimous consent that all debate on this part of the title and all amendments thereto close in 40 minutes.

Mr. ANDRESEN of Minnesota. Mr. Chairman, reserving the right to object, does the gentleman mean to include the entire tobacco title?

Mr. JONES. Yes.

Mr. ANDRESEN of Minnesota. There are six amendments pending at the Clerk's desk and I have two amendments to offer. It seems to me we could well let the time run along for 10 or 15 minutes before making such a request.

Mr. JONES. We spent considerable time the other day on the tobacco provisions and I do not believe there are many controversial matters left.

Mr. GREEN. On my four or five amendments I want 15 minutes.

Mr. ANDRESEN of Minnesota. If the gentleman will extend the time 10 minutes I shall not object.

Mr. JONES. Then I shall modify my request, Mr. Chairman, and ask unanimous consent that the debate close in 50 minutes.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that all debate on this part of the bill, being the tobacco title, and all amendments thereto, close in 50 minutes. Is there objection?

There was no objection.

Mr. HANCOCK of North Carolina. Mr. Chairman and members of the Committee, the purpose of this amendment should and will be readily understood and, I am sure, meet with the unanimous approval of the Committee. In view of this fact I do not feel that it is necessary to consume any time in discussing its merits. Before offering the amendment I submitted it to members of the tobacco subcommittee, and I am authorized to say that it met with their unanimous approval. With this amendment subsection (b) of section 305, which is the guide or standard for the allotment of marketing quotas to individual farmers, would read as follows:

The Secretary shall provide, through local committees of farmers, for the allotment of the marketing quota for any State (less the amounts to be allotted under subsection (c) of this section) among the farms upon which tobacco is produced, on the basis of the following: Past marketing of tobacco; land, labor, and equipment available for the production of tobacco; crop-rotation practices; the soil and other physical factors affecting the production of tobacco; and the needs of the family for which the allotment is made.

Since it is generally conceded that the word "labor" used above takes care of the size of the family, with this amendment a fair standard or formula seems to be complete.

Though the particular amendment is directed solely toward tobacco marketing quotas, my judgment is that it should also be considered a factor with respect to marketing quotas on the other commodities. If this legislation is to be effective in accomplishing its desirable purposes, which have been clearly presented during the consideration of this bill, it is absolutely essential that the allocation and size of each marketing quota, when it becomes necessary to invoke them to prevent ruinous prices, shall be as fair and equitable as it is humanly possible to make them. Though the old A. A. A. program was a lifesaver to a large majority of the growers in our country, we know that in its administration many inequities and abuses existed. By and large, however, when one considers the gigantic undertaking involved and the fact that it was a novel emergency measure, little complaint could be justified. With the experience that we gained from its administration we can now take precautions and place safeguards in this measure which will insure their elimination.

It will also be my purpose, when we reach page 77 of the bill, to offer another very important and constructive amendment to section 382, known as the publicity amendment, reading as follows:

On page 77, after the period in line 19, insert the following: "The farm marketing quota for tobacco established for farms in a county or other local administrative area shall be made available for public inspection by posting in a public place in each township affected the following information: The name of the farmer, the number of tenants and sharecroppers, if any, the total cultivated acreage in the farm, the allotment made, and the percentage of the total cultivated land allotted to tobacco. Additional certified copies of this information shall be kept available in the office of the county agricultural agent."

Mr. JONES. Mr. Chairman, I understand those who have studied the tobacco question are agreeable to this amendment, and I ask for a vote.

The amendment was agreed to.

Mr. GREEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GREEN: On page 22, in line 22, strike out the period and insert a colon and the following: "Provided, That the 1937 acreage planted shall be the basis of quota in any State which produced less than 1 percent of the national quota during the past 5-year period."

Mr. GREEN. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes on this amendment.

The CHAIRMAN. The Chair will state to the gentleman from Florida that, as the gentleman knows, debate has been limited to 50 minutes. Of course the Chair will state the gentleman's request.

The gentleman from Florida asks unanimous consent that he may proceed for 10 minutes. Is there objection?

Mr. GREEN. I have five amendments and I will use 10 minutes on this amendment.

Mr. ANDRESEN of Minnesota. Mr. Chairman, I may say to the gentleman there are others here who have amendments who are members of the committee; and if the gentleman is going to consume one-fifth or more of the time fixed, there will not be very much time left for others.

Mr. JONES. May I ask the gentleman from Florida how many amendments he has to offer?

Mr. GREEN. I have five amendments, and I would like to have at least 10 minutes now.

Mr. JONES. Would the gentleman be satisfied to discuss all five amendments in the 10 minutes?

Mr. GREEN. I will discuss all of them now if I may have 3 minutes later to close.

Mr. JONES. Mr. Chairman, I do not think that would be fair to the other members of the committee, and I therefore object.

Mr. GREEN. Mr. Chairman, I have gone along all the time with these farm bills, realizing that the farmers of our Nation have to have purchasing power with which to buy the goods of the factories. The 30,000,000 people on the farms are entitled to first consideration by the Congress.

It happens that the provisions of this bill carry no benefits for the people of my district, but, on the contrary, we

are severely penalized. The only product mentioned in this bill raised in my district is flue-cured tobacco. We have been growing flue-cured tobacco in Florida for the last 25 or 30 years. Under the provisions of this bill over the 5-year period Florida would be cut in its quota from 15,000 acres in 1937 to about 7,500 or 8,000 acres for 1938. The Department of Agriculture will add some to this under new area provision and 5-percent new growers' provision of the bill.

In my district, during the past 5 years we have established a tobacco market and built three tobacco warehouses, at Live Oak, in the center of Florida's tobacco belt. We now have under construction three additional warehouses. These warehouses are being built by tobacco growers and not by corporations. They are being built partly by one-, two-, three-, and four-plow tobacco growers. If this bill is passed in its present form, they will have to discontinue the building of these barns and will have to discontinue preparing their lands for the growing of tobacco.

Mr. UMSTEAD. Mr. Chairman, will the gentleman yield?

Mr. GREEN. A little later. I might say that the soil is already turned and in some instances the tobacco beds are ready for planting next month, in order that they may plant their tobacco in February and March. In my State tobacco is produced 2 or 3 months earlier than in the other States. It happens that our tobacco is superior. It brings 3 cents

a pound more than any flue-cured tobacco in the United States. It is not in fact competitive with flue-cured tobacco grown in other parts of the United States because it is of a higher quality. If we reduce our acreage to seven and a half thousand acres instead of 15,000, we will put back on the relief rolls several thousand bona fide tobacco farmers in my district. I want you gentlemen to consider whether or not that is fair. My State during the past 20 years has produced less than one-half of 1 percent of the flue-cured tobacco in the United States. During the past 5-year period it has produced less than three-quarters of 1 percent. On the other hand, States like North Carolina, under the provisions of this bill are given over 68 percent of the flue-cured tobacco in the United States. Is it right, is it just, to put my farmers on the relief rolls when they make less than 1 percent of the tobacco in the Nation, and give North Carolina a monopoly upon flue-cured tobacco in the United States? I ask you to adopt the amendment.

From the table which I hold in my hand, it will be noted that in 1937 North Carolina produced 569,790,000 pounds of tobacco. They grew 661,000 acres, while in my State this season we grew 13,000 acres and produced 10,920,000 pounds. For the information of the Committee, the acreages and pounds produced in the various States by year for the past 10 years are as follows:

Tobacco, flue-cured: Acreage harvested and production by States, 1928-37

Year	Virginia		North Carolina		South Carolina		Georgia		Florida		United States	
	Acreage	Production	Acreage	Production	Acreage	Production	Acreage	Production	Acreage	Production	Acreage	Production
	<i>Acres</i>	<i>1,000 lbs.</i>	<i>Acres</i>	<i>1,000 lbs.</i>	<i>Acres</i>	<i>1,000 lbs.</i>	<i>Acres</i>	<i>1,000 lbs.</i>	<i>Acres</i>	<i>1,000 lbs.</i>	<i>Acres</i>	<i>1,000 lbs.</i>
1928.....	138,500	74,278	712,400	493,132	148,000	84,360	113,900	82,894	7,100	4,435	1,119,900	739,099
1929.....	135,000	85,050	729,300	484,636	118,000	87,320	96,600	87,906	6,800	5,100	1,085,700	750,012
1930.....	140,000	75,300	768,000	581,200	116,000	98,600	112,900	103,304	7,300	5,767	1,144,200	885,171
1931.....	100,000	60,000	688,500	476,382	102,000	69,870	83,000	58,930	6,000	4,350	979,500	669,532
1932.....	62,000	32,240	462,500	288,750	68,000	39,440	23,000	12,075	2,000	1,200	617,500	373,705
1933.....	79,000	53,720	667,800	530,133	103,000	88,580	65,800	57,246	5,000	3,700	920,600	733,379
1934.....	70,500	52,875	486,500	412,055	72,000	55,880	50,500	31,562	4,700	3,408	684,200	556,780
1935.....	86,500	74,390	612,500	572,625	96,000	89,760	72,000	68,400	7,000	6,020	874,000	811,193
1936.....	90,500	67,875	591,000	451,975	90,000	73,350	85,000	82,450	8,000	7,200	864,500	682,850
1937 ¹	101,000	71,710	661,000	569,790	112,000	106,400	71,000	76,893	13,000	10,920	953,000	835,713

¹ Preliminary. Acreage estimate as of July 1, 1937, and production estimate as of Nov. 1, 1937. Compiled from reports of the Bureau of Agricultural Economics. Dec. 2, 1937.

The situation in my district will be exceedingly acute if by this bill you should reduce substantially the acreage of tobacco grown. I have received numbers of protests and pleas from my constituents, urging that we be permitted to grow in Florida at least as much acreage of flue-cured tobacco as we produced in 1937. Here is a letter just received from Hon. T. T. Scott, of Live Oak, Fla. Live Oak is in the heart of the tobacco belt of Florida, and Mr. Scott speaks well for the tobacco growers of my district. This morning I received the letter from him, in part, as follows:

I have just read the copy of the tobacco bill. It is very unfair and unjust to our Florida producers of tobacco. If such a bill is passed we cannot expect over seven or eight thousand acres. We have worked hard to build this industry and now have three additional warehouses under construction. We are also promised additional buyers if we have sufficient acreage as last year. This is a new industry with us and needs your best support. If this bill is passed you will take thousands from farming and put them back on relief. I don't believe this bill will help a single farmer and it will hurt them all. It is vicious and certainly should be fought with all your might. I cannot see how you can legally legislate against a farmer making a living. Our people don't want relief, but an opportunity to work and live. Such legislation as this has started other countries to producing commodities we should be exporting.

A large number of other telegrams and letters contain in the main the same substance as Mr. Scott's letter. It occurs to me that it is a shortsighted policy for the Congress to cut down on the acreage of tobacco in my State and throw bona fide tobacco farmers on the relief roll. It also obviously is unjust and unfair and undemocratic to give by legislation a monopoly to North Carolina to grow flue-cured tobacco. It is an unsound policy. In Florida we have a limited acreage of the finest tobacco soil in the world. Our

climatic conditions there are more favorable for flue-cured tobacco than that of any State in the Union. We are not asking for expansion of our tobacco acreage, but we are asking to be treated fairly and to be given as much acreage as we had during the present season.

I ask this for the substantial reason that our Florida flue-cured tobacco is not in fact competitive with other flue-cured tobacco. It is used to wrap plug tobacco and to go in high-grade cigarettes. The additional three or four thousand acres which I am asking for my State will not in fact be felt by any of the other tobacco-growing States. It will be absorbed by a market which is not really open to the lower grades of flue-cured tobacco. In the main, tobacco in Florida is grown by small farmers—one-, two-, and three-mule farmers. They have built their barns during the past 4 or 5 years, particularly during the past 2 years, and have made arrangements to grow tobacco. They have their investment in these little barns and in machinery with which to grow tobacco. If their acreage is reduced or destroyed entirely, their investments will be practically lost. It is un-American to treat them that way. They have no other cash crop to turn to. The limited number of acres which could ever be converted to tobacco production in Florida is so small until, even if all should be absorbed, it would not be a drop in the bucket. I urge that the amendment be agreed to.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. FLANNAGAN. Mr. Chairman, this amendment, if adopted, will disregard the whole philosophy of this bill. Florida, under the bill, stands upon the same footing as any other State; and, as a matter of fact, we have been more

than fair with respect to new tobacco territory. The gentleman claims that his farmers will be put upon the relief rolls, when, under the terms of this bill, we set aside 5 percent of the national quota for new growers and to take care of small growers. Five percent of the national quota of flue-cured tobacco will be around 35,000,000 pounds. That will be distributed among new territory and among the small tobacco growers.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. Not now.

Mr. GREEN. The gentleman knows that it will not go to Florida.

Mr. FLANNAGAN. Florida will get its equal percentage of that allotment. We merely ask that all States of this Union remain upon the same footing and that no special concessions be granted Florida or any other State.

Mr. COOLEY. Mr. Chairman, I move to strike out the last word. I hope the effect of this amendment will be thoroughly understood. The gentleman from Florida [Mr. GREEN] has, I think he said, five amendments in all, which he will offer to this bill. The effect of this particular amendment is to give to the State of Florida the peak of their production in the year 1937 as a base. When the tobacco growers of North Carolina and other States of the Union were going along with the soil-conservation program and diversifying their crops in an effort to conserve their soil and to prevent a surplus which always brings about ruinously low prices, the tobacco growers in Florida, according to the statement made by the gentleman offering this amendment, have just about doubled their production. He stands here before this membership today begging you to protect the tobacco growers of Florida and in the same breath admitting to you that while tobacco farmers of other sections have been striving to prevent a surplus, farmers in his State have been doing their dead level best to defeat their efforts and build up tobacco acreage in Florida. Tobacco growing in Florida was not heard of a few years ago.

Mr. GREEN. Will the gentleman yield?

Mr. COOLEY. Not now. Within the last 3 or 4 years they have gone into the tobacco-growing business. The gentleman also has another amendment, the effect of which is to give Florida flue-cured tobacco, a new type and a name and number; he suggests No. 15; something that heretofore has not been heard of and has not been recognized by the Department which designated the other types and gave them numbers. The effect of that amendment ultimately will be, as my friend from Virginia [Mr. FLANNAGAN] has suggested, to set up a separate tobacco kingdom for Florida, and to let them grow and market all of the flue-cured tobacco they want to grow, while we are controlling the marketing of the same type of tobacco in other sections.

Mr. ANDRESEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. Not now. Further, he asks you not to put the Florida tobacco grower on the relief rolls. I remind you of the fact that they were not growing tobacco in Florida when in years gone by we stood on the tobacco markets in eastern North Carolina and saw farmers stand there on the auction warehouse floor as their crops were sold for nothing and weep and cry because of the low prices they were receiving and because they did not have money with which to feed and clothe their families. We have been through the ordeal and we know what it is to have a surplus piled up upon us, yet here we hear from Florida this great cry to keep their farmers off the relief rolls. Should they be given preferred treatment when they have done their dead level best to destroy the tobacco programs we have undertaken in the past?

Mr. HENDRICKS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. Not now. The records show that they have done that, and the gentleman is coming here now and asking that they be given permission to increase their production from three-quarters of 1 percent to 1 percent, or an increase of 25 percent in production.

Mr. GREEN. Were we not under the A. A. A., the same as you were?

Mr. COOLEY. And as soon as you got out from under the A. A. A. you did your best to break down all other programs.

Mr. GREEN. Did you not grow 90 percent more than we did then?

Mr. COOLEY. We have been growing tobacco all through the years ever since Sir Walter Raleigh came to this country.

Mr. GREEN. And you grew more in proportion than we did.

Mr. COOLEY. I do not yield further, Mr. Chairman. The gentleman from Florida talks about farmers building tobacco warehouses. From his speech I could not tell whether he knows what a tobacco warehouse is or not. Tobacco warehouses are not built by farmers. They are built by warehousemen who are operating auction sales. I suppose he was talking about tobacco barns, curing barns, when he says, "My farmers are building warehouses." Yes; that is what we want to stop your farmers and our farmers from doing—building more barns to cure more surplus tobacco, and building auction warehouses in new areas.

Until the A. A. A. came into effect there was not a single tobacco warehouse in the whole sunny State of Florida, and the gentleman from Florida knows it.

My friends, tobacco is the living of the people of eastern North Carolina, Kentucky, Virginia, and other places, they have been brought up in the business. Their fathers and their grandfathers have cultivated tobacco through the years. Now Florida is here asking for "special" treatment. Why should we give them special treatment, which, as the gentleman from Virginia [Mr. FLANNAGAN] has suggested, is contrary to the very philosophy of this bill? It is not justified by any fair or just rule of treatment, and I hope the amendment will not be adopted.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. COOLEY] has expired.

Mr. ANDRESEN of Minnesota. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, the gentleman from North Carolina [Mr. COOLEY], who so ably represents the tobacco sections of his State and other States, has made a most forceful argument for the preservation of tobacco growing in the historic parts of this country, where they have been working for the last 100 years to establish a type of high quality tobacco to be sold to the American people and to people in other sections of the world. I commend him for his fight to save the tobacco growers of his section.

I also want to thank him for the splendid argument he has made in behalf of the dairy industry of this country. We of the dairy sections are putting up the same fight to save the dairy farmers in the historic sections of the United States. The very complaint that the gentleman is making about the people in the State of Florida will prevail in our section. We have worked for 40, 50, yea 60 years, to build up the dairy industry in 10 or more States of this Union. Now, by one piece of legislation, my friend from North Carolina is joining with others to try and break down the dairy industry in its historic sections, and now he comes in here asking the Members of this House to save the tobacco industry for his State. He desires by legislation to stop the farmers of Florida from growing tobacco, so that his farmers may have a monopoly as well as a subsidy.

I believe the gentleman is correct in his philosophy, but we cannot stop the Florida farmers from producing tobacco if they do so in a normal manner and without Government subsidy, nor do we ask in the dairy sections that the dairy farmers be given any subsidy. [Applause.] We do not want to have any encroachment by the Federal Government to advance the dairy industry throughout the United States, in the southern sections, by the payment of a direct subsidy.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. ANDRESEN of Minnesota. I cannot yield. But the gentleman has made one of the finest arguments I have ever heard.

Mr. COOLEY. I was going to ask if you did not know that we have set apart 5 percent of the national quota?

Mr. ANDRESEN of Minnesota. I am sorry I cannot yield.

Now, one other word. I have a very good friend, also a member of our committee, the gentleman from Virginia [Mr. FLANNAGAN] who is equally interested in preserving the tobacco areas in this country and for his section. On Tuesday last he took occasion to pay a very high compliment to me. He not only dissected, bisected, and castigated my name, but also took the pains to severely criticize the kind of tobacco which I use. I feel highly honored for the reference which he made by giving the meaning of my first name, I suppose from information gained from some international dictionary. Since last week I have investigated to find out just what type of tobacco the farmers and the people of Minnesota buy and use. I was astounded to learn from the facts furnished me that a large part of the tobacco that we use in Minnesota and in the Northwest comes from the gentleman's district.

Mr. FLANNAGAN. I am glad to know you have such discriminating taste.

Mr. ANDRESEN of Minnesota. I thank the gentleman very much. I thought it was good tobacco, but when the gentleman referred to me in his remarks on that day, he said that my only knowledge of tobacco was the cheap cheroots that I smoked. To my astonishment I found that these cheap cheroots came from the gentleman's district. [Laughter and applause.]

Mr. FLANNAGAN. Will the gentleman yield? We do not make cheroots in my district.

Mr. ANDRESEN of Minnesota. But they are made from your tobacco, nevertheless. Then, observing the gentleman and the type of tobacco he smoked, I was dumfounded to find that he smoked tobacco that came from the district of the gentleman from North Carolina [Mr. COOLEY]. [Laughter and applause.]

Still the gentleman from Virginia desires to sell his tobacco to the farmers and others in the State of Minnesota because we do not raise any. We shall continue to use your tobacco, my friend, because we think it is very good and we want to help the gentleman's district.

Mr. FLANNAGAN. Mr. Chairman, will the gentleman yield?

Mr. ANDRESEN of Minnesota. No, I am sorry; I cannot yield. We want to help the gentleman preserve the tobacco business in his section.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida.

The amendment was rejected.

Mr. ANDRESEN of Minnesota and Mr. GREEN rose.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. ANDRESEN], a member of the committee.

Mr. ANDRESEN of Minnesota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDRESEN of Minnesota: On page 25, beginning with line 22, strike out the language in lines 22 and 23 and down to the word "shall" in line 24 and insert the following language:

"Sec. 307 (a). Any farmer who markets any tobacco in excess of the marketing quota for the farm."

Mr. ANDRESEN of Minnesota. Mr. Chairman, this amendment relates to the penalty provision, which is found on page 25, line 22, section 307. At present the bill provides that the penalty shall be assessed against the buyer who knowingly acquires tobacco from a farmer who sells bootleg or contraband tobacco; that is, tobacco over and above the marketing quota. Possibly it is a good way to secure compulsory control over the tobacco farmers by not having the penalty imposed upon them when they sell more than their allotted quota. It is obviously more popular to penalize the man who buys the tobacco.

I notice that there are a good many here from the cotton and tobacco sections who were very ready and willing to vote a penalty upon the corn and wheat farmers.

My amendment simply seeks uniformity and to have the tobacco farmer subjected to the same penalty the other farmers are in the case of corn and wheat.

The bill provides that the buyer of tobacco shall be assessed a penalty of 50 percent of the value of the tobacco which he buys knowing that the farmer is not allowed to sell it.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. ANDRESEN of Minnesota. I yield for a brief question.

Mr. COOLEY. I just want to call attention to the fact that the buyer is authorized to deduct that amount from the seller.

Mr. ANDRESEN of Minnesota. I understand that; but the gentleman can realize full well that there will be a good many farmers who will bootleg their tobacco and sell it to some unsuspecting buyer. No buyer can know in detail as to every transaction whether it is bootleg or contraband tobacco.

A referendum is provided in the tobacco section of the bill. This control can be put into effect with reference to tobacco whenever the farmers wish it. I think the tobacco farmers will be unanimous to put the control provision into effect, because no penalty is assessed against the farmers; the farmers are voting to place the penalty only against the buyer.

Mr. UMSTEAD. Mr. Chairman, will the gentleman yield?

Mr. ANDRESEN of Minnesota. Surely.

Mr. UMSTEAD. Does the gentleman understand the prevailing method of selling tobacco by tobacco farmers?

Mr. ANDRESEN of Minnesota. Yes; I understand it. I am sorry, but I cannot yield further.

Mr. UMSTEAD. Will the gentleman then say, with the knowledge he has of that system, that it is possible under the language of this bill for the farmer to sell tobacco over and above this quota without having to pay the penalty?

Mr. ANDRESEN of Minnesota. Absolutely. A farmer can market his tobacco to anyone, and if the buyer does not know that it is contraband tobacco the sale goes on without any difficulty.

Mr. UMSTEAD. I am inclined to doubt that the gentleman understands the methods prevailing in the sale of tobacco.

Mr. ANDRESEN of Minnesota. Well, I cannot understand what the auctioneer says; nobody can; but I am very familiar with the system, because my distinguished colleagues, the gentleman from North Carolina, Mr. COOLEY, and the gentleman from Virginia, Mr. FLANNAGAN, explained it in detail in connection with their problems.

Mr. UMSTEAD. If the gentleman had grown and sold tobacco he would understand the auctioneer.

Mr. ANDRESEN of Minnesota. Mr. Chairman, I cannot yield further.

If we wanted to be fair about this control legislation and keep the record straight, we would make all the farmers subject to the same regulations. If the cotton, wheat, and corn farmer is to be subject to a penalty, surely the tobacco farmer should be subject to a like penalty. My amendment seeks only for uniformity throughout the bill, and I hope, therefore, that it will be adopted to clarify the legislation and to put every farmer in this country on an equal basis.

[Here the gavel fell.]

Mr. FLANNAGAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am now firmly convinced that the gentleman from Minnesota knows very little about the tobacco business.

The reason we placed the penalty upon the purchaser was for the purpose of simplifying the mechanics of the bill. Practically all the tobacco sold in this country is sold upon

the tobacco-warehouse floor. The grower goes there with a card upon which his quota is written, and the buyer knows exactly how much tobacco the seller can legally dispose of without subjecting himself to the penalty. It is easy enough for him to spot the man who is trying to bootleg tobacco. It simplifies the mechanics of the bill, that is all. This question has been carefully considered by all the tobacco representatives in the House and they are together on the penalty provision as it simplifies the mechanics of the act.

I certainly hope the membership of the House will follow the recommendation of the Representatives from the tobacco sections, who have agreed that the penalty should be put upon the purchaser in order to simplify the mechanics of the bill, as I previously stated.

Mr. COOLEY. Will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from North Carolina.

Mr. COOLEY. Will the gentleman call attention to the fact that by the language of the bill itself, although the penalties are imposed upon the buyer, by the same act the buyer is authorized to deduct the amount of the penalty from the price which would otherwise be paid for the tobacco?

Mr. FLANNAGAN. Oh, yes. The purchaser does not really subject himself to the penalty because he can take care of himself by making the proper deduction in settling with the tobacco grower.

Mr. COOLEY. Is it not a fact that the tobacco is purchased by comparatively few purchasers?

Mr. FLANNAGAN. Very few.

Mr. COOLEY. If we were to undertake to impose the penalty upon the farmer, it would result in a multiplicity of lawsuits in the district courts?

Mr. FLANNAGAN. Yes. The gentleman has assisted in working out this bill and knows we have simply resorted to a little common sense in working out the mechanics of the bill. We have tried to simplify the administration of the bill in every way.

[Here the gavel fell.]

Mr. GREEN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The Chair is desirous of protecting the rights of the gentleman from Florida [Mr. GREEN] and intends to do so. The gentleman from Florida has two amendments pending. If the gentleman from Florida requests recognition now it is doubtful whether he can get recognition later.

Mr. GREEN. If I can secure recognition later, I am satisfied.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The amendment was rejected.

Mr. GREEN. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. GREEN: Page 22, line 22, strike out the period at the end of the line and insert in lieu thereof a colon and the following: "Provided, That any marketing quota for flue-cured tobacco for the State of Florida for the 1938-39 marketing year shall not be less than 75 percent of the production of flue-cured tobacco therein in 1937."

Mr. GREEN. Mr. Chairman, it seems unfair that in connection with a bill of such vital importance to my State I may have only 10 minutes to discuss a proposed amendment. I requested 10 minutes awhile ago, but the chairman of the Committee on Agriculture objected. I have not spoken on this bill up to the present time because the tobacco section is what I am primarily interested in. The members of the Committee on Agriculture have consumed practically all of the time in the last 2 or 3 days. The State of North Carolina has a Member on the committee from the tobacco section; Virginia has a Member; Tennessee has a Member; and then the chairman of that committee objects to my having 10 minutes in which to discuss an amendment.

Mr. FLANNAGAN. Will the gentleman yield?

Mr. GREEN. I will a little later.

If this is an open forum of lawmaking for the American people, are you surprised that when a State has a monopoly upon the growing of one necessity or one commodity it would prepare the steam roller and roll it so viciously over a minority as they are rolling it over Florida in connection with this tobacco quota? Mr. Chairman, I have served in this House for 13 years and I have never heretofore seen the steam roller so well organized and greased so as to crush the minority and annihilate the interests of the American consumer in connection with a so-called farm bill so that two or three States may have a monopoly in cotton, one a monopoly in flue-cured tobacco, two a monopoly in burley tobacco, and two or three a monopoly on wheat.

Is it fair? Will it hold water? Do you believe it is right? I am not surprised that the gentleman from North Carolina should be so well informed on tobacco. Last year his State made 661,000 acres of tobacco. My State made 15,000 acres. Under the proposed plan, North Carolina will get 68 percent and more of the national quota on tobacco and my State about three-fourths of 1 percent. Yes, I know the difference between a warehouse and a barn.

My warehouses are to be emptied. My people are to go on relief. My fields that have been broken up for the planting of tobacco today will lie idle, and my people will go on the relief rolls. Mr. Chairman, the American Congress can never legislate without giving due consideration to the consumers of America. I am surprised and I hope the gentlemen of the Agricultural Committee will accept my amendment which gives my State only 75 percent of what we had in 1937.

It is true that the administrators under the Department of Agriculture will have the power to give Florida 12,000 acres of tobacco under existing provisions of the bill, but it would be far better to actually write in the law that Florida will have at least 75 percent of the acreage for 1938 that it had in 1937. This will in no way upset, alter, or materially change the tobacco program. In fact, I am depending upon the Department officials to allocate to Florida at least 90 percent of the 1937 acreage. This amendment will guarantee to Florida some 12,000 acres of tobacco. It is only fair and just and if we are to have reduction in acreage in Florida, we surely should not have a greater, in proportion, than that of other tobacco-growing States. Tobacco growers from North Carolina have migrated to Florida and are growing tobacco there because the soil and general living conditions are better. It is obviously unfair to penalize them and to cause their tobacco lands to lie idle on account of compulsory Federal farm legislation. I urge that the amendment be adopted.

[Here the gavel fell.]

Mr. COOLEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would like to have it clearly understood that the tobacco provisions of this bill were not drafted by the gentleman from Virginia, the gentleman from Tennessee, or the gentleman from North Carolina. Before the last session of Congress adjourned, when it appeared that a farm bill would probably not be brought before the House, we called together the Congressmen from every district in the United States in which tobacco is grown. Members from Florida, Georgia, Virginia, North Carolina and South Carolina, as well as from other districts in the United States attended these meetings. If any Member of the House in whose district tobacco is grown was not invited to attend these meetings, then I do not know that Member. These men came from Kentucky, Tennessee, and other places, as I have stated, and we had Members there from Florida. If I am not mistaken, the distinguished gentleman from Florida who has just spoken attended some of the meetings.

We sat down to write a bill, not to give any section or any State a monopoly on tobacco growing, but a bill which would do justice to all sections. We put a provision in the bill, which appears on page 23, which sets apart in subsection (c) 5 percent of the national marketing quota to be divided among the farms on which for the first time in 5 years to-

bacco has been produced. I suppose that will include about every tobacco farm in Florida.

Second, we have a provision for a further increase of allotments to small farms, mentioned in the proviso in subsection (b), so that 5 percent of the national marketing quota has been set apart for new areas and new growers, and small growers. You can clearly see that under this bill there is no effort to freeze the growing of tobacco.

Under this provision the small growers and the new growers in Florida will receive a great benefit from this 5 percent of the national marketing quota which has been set apart. In my section of the country we have small growers, of course, and there will be requests for allotments from the 5 percent. However, all the Members who worked on this bill have the feeling that with the 5 percent set apart everybody can be satisfied in the new areas and at the same time the small growers will be protected.

Mr. HANCOCK of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to my colleague, the gentleman from North Carolina.

Mr. HANCOCK of North Carolina. The gentleman will recall that when we began consideration of the bill at this session this percentage was only 3 percent, and the tobacco group raised it to 5 percent.

Mr. COOLEY. The gentleman is correct. If I am not mistaken the gentleman from Florida was in the meeting when this amendment was agreed to.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida.

The question was taken, and on a division (demanded by Mr. GREEN) there were—ayes 11, noes 57.

So the amendment was rejected.

Mr. GREEN. Mr. Chairman, I offer a further amendment. The Clerk read as follows:

Amendment offered by Mr. GREEN: Page 22, line 15, strike out the word "five", and also strike out the word "years" and insert in lieu thereof the word "year."

Mr. GREEN. Mr. Chairman, this amendment would establish the 1937 acreage as the basis for these quotas.

THE TOBACCO QUOTAS

Apportionment of assumed quotas based strictly on 1937 production would be:

State	Percent	650,000,000 pounds	675,000,000 pounds	700,000,000 pounds
Florida.....	1.31	8,515,000	8,842,500	9,170,000
Georgia.....	9.20	59,800,000	62,100,000	64,400,000
South Carolina.....	12.73	82,745,000	85,927,500	89,110,000
North Carolina.....	68.18	443,170,000	460,215,000	477,260,000
Virginia.....	8.58	55,770,000	57,915,000	60,060,000
Total.....	100.00			

I believe it is fair in cotton, it is fair in corn and wheat, and it is fair in tobacco, where people have embarked upon the growth of some farm commodity. If you are going to have a farm bill—and I hope you want it, if this is the one you are going to have—then you ought to have the 1937 acreage as your basis.

What about the men in California who grow a little long-staple cotton? You are going to dump them out in the street under this bill. How about the producers in Florida? I have a letter I received today from a tobacco grower in my State, saying that in his county alone this bill will put 500 farmers on the relief roll. I fully appreciate the fact that in North Carolina and Virginia one single grower may sometimes have 800 or 900 acres in tobacco. You are legislating now to give him 800 or 900 acres but to give Florida only approximately 8,000 acres. The bill gives one-half dozen North Carolina farmers more than the three or four thousand acres I am asking for Florida. Is this democracy? Is this fair? Is this the kind of a farm bill you call farm relief? How about the situation in California and Arizona,

where cotton is grown, and where you are reducing their production 60 percent and smothering down this new territory? Yes, I was in the conference referred to by my colleague, and we had the three committee members writing the bill as they wanted it. They wrote it, and now they are going to pass it, with one group joining another group, rail-roading it through, trading and trafficking, cotton with wheat, and wheat with corn.

How about the consumers? The people of my State buy corn, they buy wheat, they buy cotton, and they buy rice. I am speaking for the consumers of my State. Under the provisions of this bill they are penalized 25 percent in the cost of everything they buy which is grown on the farm and included in this bill. You refuse to give me 4,000 acres of tobacco, and would rather give it to North Carolina or Virginia or some of those States which reach out with a greedy hand to preserve their monopoly.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I will yield a little later.

You can never legislate sanely and safely and in a democratic way unless you write a farm bill which will apply to all farm sections equally. This bill does not do so, because it lets 40 percent of my farm land or tobacco land lie idle, while it lets about 5 or 6 percent lie idle in some tobacco States. This is wrong and unfair. I urge you to vote for the amendment.

[Here the gavel fell.]

Mr. FLANNAGAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is just another effort to obtain a special concession for the State of Florida. As far as I can see, the gentleman's argument with reference to the consumer has no application here. It is immaterial to the consumer whether tobacco is produced in Texas, North Dakota, Maine, Florida, Virginia, or Kentucky.

Mr. GREEN. The Department is in favor of this amendment.

Mr. FLANNAGAN. The Department is not in favor of this amendment. The Department of Agriculture approves section 305 as drawn. When you come to allocating State quotas, you take the preceding 5 years' average. If you adopt the amendment of the gentleman from Florida, what would happen? Florida could stay out of the tobacco program in 1938 and increase its acreage 1,000 percent in 1938.

Mr. GREEN. Oh, no; it would reduce it. It would reduce the same as you.

Mr. FLANNAGAN. It could then come in the next year, 1939, under the terms of the amendment, if adopted, and get its allocation based upon an increase of 1,000 percent in its acreage. That is what Florida could do.

Mr. GREEN. The gentleman wants to be accurate, does he not?

Mr. FLANNAGAN. That is a fact. That is just what the gentleman's amendment does. I do not have further time to yield to the gentleman.

Mr. GREEN. I know, but the gentleman ought to give them the facts.

Mr. FLANNAGAN. I am giving them the facts.

Mr. GREEN. The gentleman knows we cannot increase our acreage any more than you can.

Mr. FLANNAGAN. All we are asking is that all the States be placed upon the same footing, and this is what the bill does. We have figured it out in an equitable manner. We have been mighty liberal in the bill to new growers and small growers.

Florida, under the bill fares just like the other States. The provision applying to new growers is applicable to Florida and to every other State in the Union. You raise flue-cured tobacco in Florida. The normal production of flue-cured tobacco is around 700,000,000 pounds, which gives the Secretary, under the 5-percent provision, some 35,000,000 pounds to divide each year among new growers and small growers.

Mr. Chairman, I ask that the amendment be voted down. The amendment was rejected.

The CHAIRMAN. All time has expired on the tobacco title. Are there any further amendments to this title? If not, the Clerk will read.

Mr. JONES. Mr. Chairman, I ask unanimous consent to return to page 10 for the purpose of disposing of pending amendment, known as the Tarver amendment.

Mr. TARVER. Mr. Chairman, I ask unanimous consent to substitute for the amendment of mine, which is pending, an amendment to which the chairman of the committee has agreed.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent to withdraw his pending amendment, so that he may offer a new amendment.

Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Georgia offers an amendment which the Clerk will report.

The Clerk reads as follows:

Amendment offered by Mr. TARVER: On page 10, line 19, after the word "relationship", strike out the period, insert a colon, and the following proviso: "Provided, That such change shall in no event be approved if, in the judgment of the committee, the major objective of the landlord in making it is to effect an increase in his benefits."

Mr. JONES. Mr. Chairman, I see no objection to the amendment.

The amendment was agreed to.

Mr. JONES. Mr. Chairman, on behalf of my colleague, the gentleman from Texas [Mr. MAHON] I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MAHON of Texas: Page 10, line 17, after the period insert the following: "Any reduction in the number of tenants over the average number of tenants on any farm during the preceding 3 years that would increase the payments or grants of other aid under such subsection to the landlord that would otherwise be made shall not hereafter operate to increase any such payment or grant to such landlord."

Mr. JONES. Mr. Chairman, this is an additional provision that would use the 3-year average on the number of tenants. It would simply add an additional provision which is a further restriction.

Mr. ANDRESEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. ANDRESEN of Minnesota. Does this change the total amount any producer may receive?

Mr. JONES. No; this amendment has nothing to do with that matter.

Mr. WHITTINGTON. Mr. Chairman, if the gentleman from Texas will yield, I would like to ask if the amendment proposed by the gentleman from South Carolina [Mr. FULMER] was ever voted on or if it was adopted. I would like the RECORD to show the fact in that respect.

Mr. FULMER. Yes; that amendment was adopted.

Mr. WHITTINGTON. I do not think so. I believe the amendment is still pending.

Mr. JONES. Let us vote on the pending amendment now.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. MAHON].

The amendment was agreed to.

Mr. WHITTINGTON. Mr. Chairman, I would like to ask whether the amendment offered by the gentleman from South Carolina [Mr. FULMER] to section 10 is pending? My recollection is the amendment was not adopted.

The CHAIRMAN. The Chair is informed there is no such amendment pending at the desk.

Mr. JONES. Mr. Chairman, I ask unanimous consent to consider now section 5 and take up the Lucas amendment.

Mr. ANDRESEN of Minnesota. Do I understand the gentleman from Illinois [Mr. LUCAS] is going to offer his amendment now?

Mr. JONES. Yes; the gentleman from Illinois [Mr. LUCAS] has an amendment pending to section 5 at page 10.

The CHAIRMAN. The Chair would like to inform the gentleman from Texas that here is an amendment pending

offered by the gentleman from Texas [Mr. MAHON] to section 4.

Mr. JONES. I understand the gentleman is willing to withdraw that amendment.

The CHAIRMAN. Without objection, the amendment is withdrawn.

There was no objection.

Mr. JONES. Mr. Chairman, the gentleman from Illinois [Mr. LUCAS] has an amendment pending to section 5, and I ask unanimous consent to return to that amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The gentleman from Illinois [Mr. LUCAS] offers an amendment to section 5, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LUCAS: Page 10, line 24, strike out lines 24 and 25 on page 10 and lines 1 to 22, inclusive, on page 11, and insert in lieu thereof: "The funds available for payments (after allowing for (estimated) administrative expenses, payments with respect to naval stores, and payments in Hawaii, Puerto Rico, and Alaska) shall be allocated among the commodities produced in continental United States with respect to which payments or grants are to be computed. In allocating funds among the commodities the Secretary shall take into consideration and give equal weight to (1) the average acreages of the various commodities for the 10 years immediately preceding the year with respect to which the payment is made, including an acreage of pasture which bears the same proportion to the acreage of all crops that the farm value of livestock and livestock products produced from pasture bears to the farm value of all crops; (2) the value at parity prices of the production from the allotted acreages of the various commodities for the year with respect to which the payment is made, including with respect to pasture the value at parity prices of that portion of livestock and livestock products produced from pasture; (3) the average acreage during the preceding 10 years in excess of the allotted acreage for the year with respect to which the payment is made; and (4) the value based on average prices for the preceding 10 years of the production of the excess acreage determined under item (3). The rate of payment used in making payments to the producers of each commodity shall be such that the estimated payments with respect to such commodity shall equal the amount of funds allocated to such commodity as herein provided. For the purpose of allocating funds and computing payments or grants the Secretary is authorized to consider as a commodity a group of commodities or a regional or market classification of a commodity."

Mr. ANDRESEN of Minnesota. Mr. Chairman, I offer an amendment to the amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. ANDRESEN of Minnesota to the amendment of Mr. LUCAS: In line 1 of the amendment strike out the words "for (estimated)" and insert in lieu thereof "not to exceed 5 percent for."

Mr. ANDRESEN of Minnesota. Mr. Chairman, I call the attention of the committee to the purpose of this amendment. During the fiscal year 1936-37, a 12-month period, the sum of \$397,634,419.11 was used to carry out the soil-conservation program. Of this amount \$40,313,451 was used for administrative expenses, or 10.14 percent of the total amount, leaving the farmers \$357,320,000. It is difficult for me to believe that more than \$40,000,000 was necessary for administration purposes.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. ANDRESEN of Minnesota. Yes.

Mr. JONES. I call attention to the fact that in 1936 they practically had two programs, the carry-over of the old one and the new, and they had separate committees for each commodity, which I understand will not be true under the present bill. I think, therefore, the gentleman's amendment is all right, and if there is no objection to it, I am willing to agree with it.

Mr. ANDRESEN of Minnesota. Mr. Chairman, I thank the gentleman. I am pleased that he feels that a cut should be made. But, let me point out what the adoption of this amendment means. The total amount if appropriated will be \$500,000,000 under the Soil Conservation Act. Under my amendment, as the Chairman has agreed to it, not to exceed 5 percent of this amount, or \$25,000,000 may be used for

administrative purposes. This in itself is a staggering figure, and I am sure that if we did not limit the amount to 5 percent of the total appropriation, the administrators could be counted upon to spend at least 10 percent or more in 1938.

The adoption of my amendment means that the farmers of the country will get \$25,000,000 more for their benefit payments rather than having this sum used for additional expenses. This saving for the farmers plus the \$25,000,000 which was retained and saved for the farmers operating family-sized farms by the adoption of the amendment offered by me last week to limit the size of benefit payments to large operators, gives an additional amount of \$50,000,000 for the rank and file of farmers who actually live on and operate their own farms.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. LUTHER A. JOHNSON. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman a question in reference to the construction of the Lucas amendment. What effect will it have on the amount of money allocated for cotton? We have heard considerable discussion as to whether the Lucas amendment would reduce the amount allocated for cotton; realizing that the chairman of the committee has given much thought to this question and having a high regard for his opinion, I submit this query to him.

Mr. JONES. Personally, so far as I have been able to study the amendment, I do not think there is any great difference in the effect of the two provisions. The Lucas amendment would make it a little more definite and certainly would not take anything from cotton. I am inclined to think the Lucas amendment is probably preferable, although I do not think, after going over them, there is much difference in the two.

Mr. LUTHER A. JOHNSON. We have had some complaint in the past about the amount allocated for cotton being too small, and I wanted to be sure the amount would not be reduced by this amendment. It should be increased.

Mr. JONES. I do not think that cotton will be adversely affected.

The CHAIRMAN. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from Illinois [Mr. Lucas], as amended.

The amendment was agreed to.

Mr. LUCAS. Mr. Chairman the suggested substitute for section 5 of H. R. 8505 provides that the funds available for conservation payments in the continental United States shall be allocated among the commodities and groups of commodities produced in the United States. In making this allocation it is provided that one-fourth of the funds will be distributed among the commodities on the basis of the planted acreages of these commodities during the 10 years immediately preceding the year for which the allocation is made. Another one-fourth of the available funds would be prorated among the commodities on the basis of the parity value of the estimated production from the allotted acreages of the commodities. The remaining one-half of the payment would be allocated to those commodities for which the allotted acreages are smaller than the average planted acreages during the preceding 10 years. Thus the allocation of one-half of the funds would be based on the sacrifices involved in meeting the acreage allotments or goals and would be apportioned on the basis of the number of acres of downward adjustment required in meeting the allotments and on the basis of the value of the estimated production from these diverted acres.

Assuming for purposes of illustration that \$400,000,000 was available for payments, \$100,000,000, or one-fourth, of this amount would be distributed on the basis of each of the four factors enumerated in the proposed amendment. With such an allotment of funds, the formula as it would apply to cotton, for example, may be illustrated as follows: During

the past 10 years cotton acreage represented approximately 8 percent of the total acreage of all agricultural commodities, and therefore 8 percent, or \$8,000,000, would be allocated to cotton under item No. 1. Assuming an acreage allotment of 30,000,000 acres, average yields for the past 5 years, and parity prices, the value of cotton and cottonseed represents about 11 percent of the total value, similarly computed, for all agricultural products, and therefore 11 percent, or \$11,000,000, would be allocated to cotton under item No. 2. In reaching a goal of 30,000,000 acres, a reduction of 7,385,000 acres would be required from the 10-year—1927-36—average acreage. This represents 29.6 percent of the total reduction in acreage required in meeting assumed acreage allotments for all crops with respect to which the acreage allotments are smaller than the 10-year acreage. Therefore, \$29,600,000 would be allocated to cotton under item No. 3. The value, based on average prices prevailing during the last 10 years, of the cotton which might reasonably be expected from the 7,385,000 acres determined for cotton under item No. 3 represents 42.2 percent of the total value, similarly computed, of the normal production from the total acreage determined under item No. 3. Thus, \$42,200,000 would be allocated to cotton under item No. 4. The total allocation to cotton, therefore, of the assumed \$400,000,000 would be \$90,800,000, or 22.7 percent of the total funds assumed to be available.

If the total amount of funds available were \$500,000,000 instead of \$400,000,000, the allocation to cotton similarly determined would be \$113,500,000, or 22.7 percent of the total available funds.

Since the productivity of pasture varies widely from area to area, and also varies widely from the productivity of cropland, it is necessary, in order to get data for pasture which are comparable to data with respect to cropland, to convert pasture into equivalent acreage units. This can best be done on the basis of the relative value of the products—that is, livestock and livestock products—produced from pasture to the value of other agricultural commodities. It is provided, therefore, in items 1 and 2, that the pasture acreage shall be reported in terms of an acreage equivalent determined on the basis of the ratio of the value of livestock and livestock products produced from pasture to the value of all other agricultural products. It is estimated that during the past 10 years approximately 23.5 percent of the value of all agricultural products has been livestock and livestock products produced from pasture. Since livestock and livestock products have been somewhat nearer to parity than farm crops, it is estimated that livestock and livestock products produced from pasture now represent a somewhat smaller percentage—20.5 percent—of the total parity value of all agricultural products.

Since in the case of pasture products, soil-conserving crops, commercial orchards, commercial vegetables, sugar, and peanuts, no reductions from the 10-year average acreages will be required, these commodities would not share in the funds allocated under items Nos. 3 and 4.

After the allocation of funds to a commodity is determined the rate of payment on that commodity would be computed by dividing the amount of funds by the probable number of units of the commodity on which payments would be made. Thus if \$100,000,000 is allocated under the formula to cotton and it is determined that payments would be made on 4,000,000,000 pounds of cotton, the rate of payment on cotton would be 2.5 cents per pound.

An approximate percentage distribution of funds based on the formula prescribed in the suggested substitute for section 5 of H. R. 8505, assuming average or normal acreage allotments for the next 5 years, is shown in the table which I inserted in the RECORD on December 3 and which may be found on page 852.

The table published indicates, on the basis of the assumed conditions portrayed in the table, that approximately 57 percent of the funds available for payments would be allocated over a period of years to wheat, corn, and cotton. The percentage apportioned to these three commodities would

vary somewhat from year to year, but would probably be in the range of 55 to 60 percent.

The percentage of the total funds that would go to each of these three commodities individually would also vary from year to year, depending largely upon the relative amount of reduction in acreage required in order to meet the allotment for that year. For example, in years when a large reduction was required in cotton and relatively less reduction was required in corn and wheat the amount allocated to cotton would be somewhat higher than the 22.7 percent indicated in the table. Likewise, in years when a drastic reduction in wheat was required and a relatively smaller reduction in cotton and corn was called for, the percentage going to wheat would be increased above that indicated in the table.

Mr. JONES. Mr. Chairman, in view of the adoption of the Lucas amendment, I ask for a correction in section 6, and offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. JONES: Page 11, line 23, strike out "and 4" and insert in lieu thereof "4 and 5."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Chair calls the attention of the gentleman from Texas to the fact that there is only one amendment now pending, and that was offered some time ago by the gentleman from Georgia [Mr. PACE].

Mr. JONES. Mr. Chairman, I offer the following amendment as a substitute for the Pace amendment.

The CHAIRMAN. The gentleman from Texas offers a substitute for the amendment offered by the gentleman from Georgia [Mr. PACE]. The Clerk will first report the amendment offered by the gentleman from Georgia.

The Clerk read as follows:

Amendment offered by Mr. PACE: After the word "tenants", in line 6, page 7, add the words "sharecroppers."

The CHAIRMAN. The Clerk will now report the substitute offered by the gentleman from Texas [Mr. JONES].

The Clerk read as follows:

Mr. JONES offers as a substitute: On page 7, lines 6 and 7, strike out "owners, cash tenants, and fixed or standing rent tenants, operating farms" and insert "farms operated by owners, tenant, or sharecroppers."

Mr. JONES. I think this is better because the allotments are made to farms rather than to particular landowners, tenants, or sharecroppers. This would make it cover all farms. It would not make any difference, then, who was operating. The allotment is made to the farm rather than to the owner or tenant or sharecropper, and it would remove any doubt.

Mr. FULMER. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. FULMER. In other words, suppose an allotment of 200 acres would be given to any landlord, then he would proceed to divide that with any tenants he might have. If that landlord should give a tenant a very small acreage, one that perhaps would induce him to come back for additional acreage, he would have to come back to the landlord, and he would not be able to get it out of the committee?

Mr. JONES. As I understand, this allotment would be made in the regular way to the farms, as all other allotments are made, and I assume that in making the allotments, the State or local committees that really handle it would take into consideration the various conditions that prevail with reference to the farm, just as they would as it is here.

Mr. FULMER. I would like to state to the gentleman, if that is possible I can have 500 or 1,000 acres and I can so deal with my tenants that I will give them a very small allotment, and then I will say, "You go and get an additional allotment." And when they do that, I, as a landlord, would get one-half of the proceeds of what they grow on the land.

Mr. JONES. No. This is all to be given those who have not exceeding 15 acres. It is limited to that.

Mr. TARVER. Mr. Chairman, will the gentleman yield for a moment?

Mr. JONES. I yield.

Mr. TARVER. Carrying out the chairman's idea, an examination of the language of the section discloses that it has no application whatever to farms where the landlord is the owner of more than 15 acres. So that the example given by our colleague from North Carolina is not in point.

Mr. JONES. That is right.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Texas to the amendment offered by the gentleman from Georgia [Mr. PACE].

The substitute amendment was agreed to.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from Georgia, as amended by the substitute.

The amendment was agreed to.

Mr. JONES. Mr. Chairman, in order to conform the numbers with the changes made, I ask that the numbers "6" and "7" on page 8 be changed to "5" and "6."

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. The Clerk will read now beginning at part III, "Marketing quotas—Wheat," on page 44.

Mr. JONES. Mr. Chairman, I ask unanimous consent, in order to give fuller time for discussion, that the reading of part III be dispensed with, and that amendments may be offered to any part of the section, and that it be read by title.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read as follows:

PART III—MARKETING QUOTAS—WHEAT DEFINITIONS

SEC. 331. For the purposes of this part—

(a) "Marketing year" shall be the period from July 1 of one year to June 30 of the succeeding year.

(b) "Total supply" for any marketing year shall be the carry-over of wheat for such marketing year plus the estimated production of wheat in the United States during the calendar year in which such marketing year begins.

(c) "Carry-over" for any marketing year shall be the quantity of wheat on hand in the United States at the beginning of such marketing year, not including any wheat which was produced in the United States during the calendar year then current.

(d) "Normal supply" shall be a normal year's domestic consumption and exports of wheat plus 20 percent of a normal year's domestic consumption and exports as an allowance for a normal carry-over.

(e) "Reserve supply level" shall be a normal year's domestic consumption and exports of wheat plus 32 percent of a normal year's domestic consumption and exports to insure a supply adequate to meet domestic consumption and export needs in years of drought, flood, or other adverse conditions, as well as in years of plenty.

(f) "Normal year's domestic consumption" shall be the yearly average quantity of wheat, wherever produced, that was consumed in the United States during the 10 marketing years immediately preceding the marketing year in which such consumption is determined, adjusted for current trends in such consumption.

(g) "Normal year's exports" shall be the yearly average quantity of wheat that was produced in the United States and exported therefrom during the 10 marketing years immediately preceding the marketing year in which such exports are determined, adjusted for current trends in such exports.

(h) "Marketed" shall be the disposition by sale, barter, exchange, or gift.

(i) "National average yield" for wheat shall be the national average yield per acre of wheat during the 10 calendar years immediately preceding the calendar year with respect to which such national average yield is used in any computation authorized in this part, adjusted for abnormal weather conditions and trends in yields.

(j) "Normal yield" for any farm shall be the average yield per acre of wheat for the farm adjusted for abnormal weather conditions during the 10 calendar years immediately preceding the year with respect to which such normal yield is used in any computation authorized under this part. If for any such year the data are not available, or there is no actual yield, an appraised yield for such year, determined in accordance with regulations issued by the Secretary, shall be used as the actual yield for such year. If, on

account of drought, flood, insect pests, or other uncontrollable natural cause, the production in any year of such 10-year period is less than 75 percent of the average (computed without regard to such year), such year shall be eliminated in calculating the normal yield per acre.

LEGISLATIVE FINDINGS

Sec. 332. Wheat is a basic source of food for the Nation, is produced throughout the United States by more than a million farmers, is sold on the country-wide market and, as wheat or flour, flows almost entirely through instrumentalities of interstate and foreign commerce from producers to consumers.

Abnormally excessive and abnormally deficient supplies of wheat on the country-wide market acutely and directly affect, burden, and obstruct interstate and foreign commerce. Abnormally excessive supplies overtax the facilities of interstate and foreign transportation, congest terminal markets and milling centers in the flow of wheat from producers to consumers, depress the price of wheat in interstate and foreign commerce, and otherwise disrupt the orderly marketing of such commodity in such commerce. Abnormally deficient supplies result in an inadequate flow of wheat and its products in interstate and foreign commerce with consequent injurious effects to the instrumentalities of such commerce and with excessive rise in the prices of wheat and its products in interstate and foreign commerce.

It is in the interest of the general welfare that interstate and foreign commerce in wheat and its products be protected from such burdensome surpluses and distressing shortages, and that a supply of wheat be maintained which is adequate to meet domestic consumption and export requirements in years of drought, flood, and other adverse conditions as well as in years of plenty, and that the soil resources of the Nation be not wasted in the production of such burdensome surpluses. Such surpluses result in disastrously low prices of wheat and other grains to wheat producers, destroy the purchasing power of grain producers for industrial products, and reduce the value of the agricultural assets supporting the national credit structure. Such shortages of wheat result in unreasonably high prices of flour and bread to consumers and loss of market outlets by wheat producers.

The provisions of this part affording a cooperative plan to wheat producers are necessary in order to minimize recurring surpluses and shortages of wheat in interstate and foreign commerce, to provide for the maintenance of adequate reserve supplies thereof, and to provide for an adequate flow of wheat and its products in interstate and foreign commerce. The provisions hereof for regulation of marketings by producers of wheat whenever an abnormally excessive supply of such commodity exists are necessary in order to maintain an orderly flow of wheat in interstate and foreign commerce under such conditions.

REGIONAL OR MARKET CLASSIFICATION

Sec. 333. The provisions of this part shall apply to wheat, but the Secretary is authorized after due notice and public hearing to interested parties to treat as a separate commodity any regional or market classification, type, or grade of wheat if he finds such treatment necessary in order adequately to effectuate the policy of this act with respect to such regional or market classification, type, or grade.

ANNOUNCEMENTS OF SUPPLIES AND ALLOTMENTS

Sec. 334. Not later than July 15 of each marketing year for wheat, the Secretary shall ascertain and announce the total supply, the normal supply, the reserve supply level, and the national acreage allotment for wheat for such marketing year.

NATIONAL ACREAGE ALLOTMENT

Sec. 335. The national acreage allotment of wheat for any marketing year shall be that acreage which the Secretary determines will, on the basis of the national average yield for wheat, produce an amount thereof adequate, together with the estimated carry-over at the beginning of the next succeeding marketing year, to make available a supply for such succeeding marketing year equal to the reserve supply level.

APPORTIONMENT OF NATIONAL ACREAGE ALLOTMENT

Sec. 336. (a) The national acreage allotment for wheat shall be apportioned by the Secretary among the several States on the basis of the acreage devoted to the production of wheat during the 10 calendar years immediately preceding the calendar year in which the apportionment is made (plus, in applicable years, acreage diverted under previous agricultural adjustment and conservation programs), with adjustments for abnormal weather conditions and for trends in acreage during such period.

(b) The State acreage allotment for wheat shall be apportioned by the Secretary among the counties, or other administrative areas in the State deemed by the Secretary the most effective for the purpose of the administration of this part, on the basis of the acreage devoted to the production of wheat during the 10 calendar years immediately preceding the calendar year in which the national acreage allotment is apportioned (plus, in applicable years, acreage diverted under previous agricultural adjustment and conservation programs), with adjustments for abnormal weather conditions and trends in acreage during such period.

(c) The local acreage allotment of wheat shall be apportioned by the Secretary, through the local committee, among the farms within the county or other local administrative area on the basis of tillable acres, crop-rotation practices, type of soil, topography,

and production facilities. Notwithstanding any other provision of this section, if, for any reason other than flood or drought, the acreage of wheat planted on the farm is less than 80 percent of the farm acreage allotment for wheat, the farm acreage allotment shall be 25 percent in excess of such planted acreage.

MARKETING QUOTAS

Sec. 337. (a) Whenever it shall appear that the total supply of wheat as of the beginning of any marketing year will exceed the normal supply thereof for such year by more than 25 percent, the Secretary shall, not later than the May 15 prior to the beginning of such marketing year, announce such fact and, beginning on June 1 of such calendar year and continuing through June 30 of the following calendar year, a national marketing quota shall be in effect with respect to the marketing of wheat. The Secretary shall ascertain and specify in the announcement the amount of the national marketing quota in terms of a total quantity of wheat and also in terms of a percentage of the national acreage allotment made for the preceding marketing year which he determines will, on the basis of the national average yield of wheat, produce the amount of the national marketing quota.

(b) The amount of the national marketing quota for wheat shall be equal to the amount of the reserve supply level less the sum of the estimated carry-over of wheat as of the beginning of the marketing year with respect to which the quota is announced and the estimated amount of wheat which will be used on farms as seed or livestock feed during the marketing year.

(c) The farm marketing quota for any farm shall be an amount of wheat equal to the aggregate normal production of an acreage determined by applying to the farm acreage allotment for the marketing year preceding that for which the quota is effective the national acreage allotment percentage specified in the Secretary's quota announcement.

(d) No farm marketing quota with respect to any crop of wheat shall be applicable to any farm on which the normal production on the acreage planted to wheat is less than 200 bushels.

REFERENDUM

Sec. 338. Between the date of the issuance of any announcement of any national marketing quota pursuant to the provisions of this part and the effective date of any such quota specified in such announcement, the Secretary shall conduct a referendum of all farmers who will be subject to the quota specified therein to determine whether such farmers favor or oppose such quota. If more than one-third of the farmers voting in the referendum oppose such quota, the Secretary shall, prior to the effective date of such quota, announce the result of the referendum, and upon such announcement the quota shall become ineffective.

ADJUSTMENT AND SUSPENSION OF QUOTAS

Sec. 339. (a) If the Secretary has reason to believe that any national marketing quota for wheat will not make a normal supply of wheat available for marketing during the marketing year for which such quota has been established, he shall cause an immediate investigation to be made with respect thereto, in the course of which due notice and opportunity for public hearing shall be given to interested persons. If, upon the basis of such investigation, the Secretary finds the existence of such fact, he shall announce the same. Upon such announcement the amount of such national marketing quota shall be increased to such amount as he shall have determined, upon the basis of such investigation, will make available for marketing during such marketing year a normal supply of wheat. He shall announce such increased marketing quota. The amount of each farm marketing quota shall be increased in the same ratio.

(b) If the Secretary has reason to believe that, because of a national emergency or because of a material increase in export demand, any national marketing quota for wheat should be terminated, he shall cause an immediate investigation to be made to determine whether the termination of such quota is necessary in order to effectuate the declared policy of this act or to meet an increased demand arising from such export demand or emergency. If, upon the basis of such investigation, the Secretary finds that such termination is necessary, he shall immediately announce such finding and thereupon such quota shall terminate.

(c) Whenever it shall appear from either the July or the August production estimates, officially published by the Division of Crop and Livestock Estimates of the Bureau of Agricultural Economics of the Department, that the total supply of wheat as of the beginning of the marketing year was less than the normal supply plus 25 percent thereof, the Secretary shall announce such fact prior to July 20, or August 20, as the case may be, if farm marketing quotas have been announced with respect to the crop grown in such calendar year. Thereupon such quotas shall become ineffective.

TRANSFER OF QUOTAS

Sec. 340. Farm marketing quotas for wheat shall not be transferable but, in accordance with regulations prescribed by the Secretary for such purpose, any farm marketing quota in excess of the supply of wheat for such farm for any marketing year may be allocated to other farms on which the acreage allotment has not been exceeded.

PENALTIES

Sec. 341. (a) Any farmer who, during any marketing year, markets any wheat in excess of the farm marketing quota for the

farm on which such wheat was produced shall be subject to a penalty of 15 cents per bushel of the excess so marketed.

(b) The penalties provided for in subsection (a) of this section shall be collected and paid in such manner, at such times, and under such conditions as the Secretary may by regulation prescribe.

PUBLICATION AND REVIEW OF QUOTAS

Sec. 342. The farm marketing quotas for wheat established for farms in a county or other local administrative area shall be made available for public inspection, and may be reviewed, in the manner provided in part VI of this title.

Mr. DONDERO. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, it is conceded that this is not a price fixing bill. Its main objective is the control of production of five commodities named in the measure, namely: wheat, corn, cotton, rice, and tobacco.

I do not believe that the farmers of my district want this form of legislation. The president of the National Farm Bureau, Mr. Edward O'Neal, who is in the gallery now, says it does not want it, because the compulsory provisions of the bill are not strong enough to suit it. The National Grange says it does not want this bill because it does contain "must" legislation, or compulsory provisions. I quote its position:

We are strongly of the opinion that the new legislation should be based on the idea of voluntary cooperation on the part of the farmers rather than compulsory control on the part of the Government. It should be clearly understood that under no circumstances does the Government have the right to use the word "must" when it comes to telling the farmers of the country how much or how little they should produce of any particular crop, or how much or how little they should place upon the market. There can be no such thing as a majority, under the guise of a referendum, dictating as a minority in matters of this kind.

In the opinion of the National Grange both House and Senate bills should be referred back to committee and stripped of their compulsory features.

The Grange of my State of Michigan says it does not want it because it is opposed to the present policy which permits entry into this country of agricultural products far in excess of the amount of agricultural products we export to other countries. This is what it has to say:

If farmers, by authority of law, are to be expected to market only those portions of their crops which can be consumed, mainly in the domestic markets, imports of similar and competitive products should be curtailed.

We urge that in the formulation of additional reciprocal-trade agreements more attention be given by the State Department to securing foreign markets for our farm products in exchange for industrial goods rather than continuing what appears to be too much the present procedure of exporting our industrial commodities under favorable rates secured abroad in exchange for agricultural imports which enter our markets at lower rates of duty.

Those of you who come from agricultural districts, when you go back and tell your people you voted for this bill, may be asked to reconcile your position why you voted to impose a tax of \$4 on every man, woman, and child in your district, annually, which is what this measure means, while at the same time we pursue a policy in this Nation of permitting entry into this country of agricultural products to the extent of \$868,000,000 during the last fiscal year in direct competition with the products grown by the farmers of your section.

In the report of the Bureau of Agricultural Economics, issued on November 20 of this year, we find in the first paragraph the following amazing statement:

The value of imports of commodities, similar to or substituted for, those produced on American farms, rose by 35 percent over the fiscal year of 1935-36. The value of American farm exports, on the other hand, declined by 4 percent in spite of some improvement in the foreign demand situation. As a result the competitive imports exceeded agricultural exports for the first time on record.

That report shows that we imported, during the last fiscal year, competitive agricultural products to the value of \$868,000,000 and noncompetitive farm products to the value of \$669,930,000, or a total of \$1,538,327,000.

The total exports of farm products of all kinds for the same period were valued at \$732,826,000. Unbelievable as it may seem, the people of this Nation bought twice as much

from the farmers of foreign countries as all the other nations in the world bought from us.

This bill provides a Federal subsidy of \$500,000,000 annually which is to be permanent legislation in order to control the production of the commodities named in the measure. This means an annual tax of \$4 for every man, woman, and child in the Nation.

An ordinary congressional district in this country contains about 300,000 population. You may be asked to justify the position that you took when you voted to impose a tax upon the people of your district to the extent of \$1,200,000. In my congressional district, the Seventeenth Michigan, this bill means a tax of \$1,300,000.

We have had some experience in an attempt to regulate the production of crops in this country, particularly the cotton crop. We tried to hold up the price by plowing under every fourth row; and yet, this year, because this legislative body failed to take into account the weather man, who is the agent of the Almighty, we have raised the largest cotton crop in the history of the United States—18,000,000 bales. The normal amount of cotton required for home consumption amounts to about 7,000,000 bales annually.

The question that now confronts us is, What are we going to do with the other 11,000,000 bales which is the amount above the requirements for domestic consumption? That is the problem that we are asked to solve when it comes to cotton. You have also tried to fix the price of cotton, and the record shows, if the figures given to me by our distinguished colleague the gentleman from Tennessee [Mr. CHANDLER], are correct, that during the last 8 years in which we have attempted to regulate the price of cotton by fixing the loan value on it, the price has been the lowest in any 8-year period since the Nation has raised cotton, or for which there is any record since 1831.

For every dollar's worth of products grown by the farmers of my district we have permitted the farmers of foreign nations to send into this country \$2 worth of their own agricultural products in direct competition with the farmers of this Nation. I do not believe that the farmers of this country are willing to be put into a legislative strait jacket under the guise or the promise that they are to be given some financial help in the form of a Federal subsidy. I believe the farmers of the country want to be let alone. If we preserve the American market for the American farmer, then, in my judgment, the wise thing to do would be to place a subsidy upon American farm products sold to other countries and preserve the best market in the world, the American market, the home-consumption market, for the American farmers. This will help American agriculture. Thomas Jefferson once said, "If we must ask Washington when to sow and when to reap, we will soon want bread." [Applause.]

Mr. HOOK. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I cannot follow the logic of my colleague from Michigan. He said that the Farm Bureau is against this bill because it was not drastic enough. He said that the farm Grange is against it because it is too drastic. He also wants us to believe that this bill and the actions of this Congress heretofore on farm legislation have increased costs to the consumer. Still he will say that farm products are the lowest they have been in a number of years. I cannot quite understand the logic of his argument.

If one farm organization says it is too drastic and the other farm organization, which is supposed to have an equal amount of knowledge on farm problems, says that it is not drastic enough, then I think that it is just about right and what the farmers and the consumers of this country need.

Mr. JONES. Mr. Chairman, I offer an amendment to make this title conform to the committee amendment offered by the gentleman from Kansas [Mr. HOPE.]

The Clerk read as follows:

Committee amendment offered by Mr. JONES: On page 46, line 8, before the word "or", insert "plant disease."

The amendment was agreed to.

Mr. JONES. Mr. Chairman, I offer another amendment in conformity with an amendment already adopted.

The Clerk read as follows:

Committee amendment offered by Mr. JONES: On page 52, line 6, after the word "referendum", insert ", by secret ballot."

Mr. GREEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, on taking stock of this bill I am just wondering how those of us from farm districts who are penalized by its provisions are going to answer an already overburdened constituency. For instance, in my State where we have farmers who have gone from the tobacco fields to relief roll several questions come up. He pays a little more for his flour, if he can buy any; he pays a little more for tobacco, if he can get a plug of tobacco to chew; he pays a little more for his rice, if he can buy any; and corn, what is he going to do about that? If he gets any to feed his chickens he will pay one-third more a bushel for it; yet, by the provisions of this bill he himself is thrown out of producing tobacco.

Cannot our committee deliberate a little longer on this bill and bring out one that will relieve the farmers of America? It seems to me that the thing to do is for the House to recommit this bill and let the committee bring back another bill, one more fair, one less sectional.

The cost of living is already advancing. How about you gentlemen from the manufacturing districts? Here is the farm bill coming along making your constituents pay more for the shirts they wear, more for the tobacco they chew, more for the things they eat. On the other hand, you gentlemen who take land out of cotton cannot raise eggs on it, you cannot raise butter on it. So, what are you going to do, my friends?

I wonder if the philosophy of this bill is not contrary to the fundamental laws of supply and demand; if we are not going far afield from it. I am wondering if the bill will not be a detriment to the American people and defeat the very intent of Congress. I am wondering, when so many of our people are hungry, desire flour to eat, desire corn flakes to feed their children, if it would not be a better policy to have unlimited production and let the W. P. A. buy up this surplus, process it, and give it to the hungry of the land rather than to open up the markets of America for foreign raised and processed farm products. We have a large relief load in America. Many are hungry, and yet in this bill you would curtail production of the vital necessities of life. This bill is wrong. Adequate farm relief can be approached from an angle more sane and more perfect.

I am wondering if our philosophy is not wrong. Why can we not give larger benefit payments to the men who till their farms rather than putting compulsion on them? Why can we not produce wheat and corn nearly in keeping with the demand of our hungry mouths and devise some scheme whereby our acres could be tilled, our hungry fed, and the farmer benefit by payments? Let him be permitted to elect to grow in our free democracy such things from the breast of Mother Earth as the Almighty has devised that the farmer may grow. Are we not going a little far afield when we undertake to pick out two, three, or five commodities in our Nation and disregard entirely the consumers of our Nation? This bill is class legislation; it is sectional, and may defeat its own purpose of farm relief.

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, this section involves practically the same principles that some of the other sections cover and I wonder if we cannot agree on limiting the debate?

Mr. CASE of South Dakota. I have an amendment or two.

Mr. JONES. Mr. Chairman, I ask unanimous consent that all debate on part 3, the wheat section, and all amendments thereto close in 50 minutes and I mean the part only in reference to wheat.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. FERGUSON. Mr. Chairman, reserving the right to object, we had 50 minutes to finish up on the tobacco section. I think 1 hour is not too much time in which to discuss wheat.

Mr. JONES. I will amend my request and make it not to exceed 1 hour, which I hope the Members will not take.

The CHAIRMAN. The gentleman from Texas [Mr. JONES] asks unanimous consent that all debate on amendments to part 3 close in 1 hour. Is there objection?

There was no objection.

Mr. JONES. Mr. Chairman, I offer an amendment to make this part conform to the similar provisions in the other parts of the bill.

The CHAIRMAN. There is an amendment pending which was offered prior to the speech made by the gentleman from Florida, that amendment having been offered by the chairman of the Committee on Agriculture. The question is on agreeing to the amendment offered by the gentleman from Texas [Mr. JONES], chairman of the Committee on Agriculture.

Mr. RANKIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RANKIN. The question the Chair put to the House a moment ago, as I understood it, did not comply exactly with the request made by the chairman of the Committee on Agriculture. I understood that his request covered all amendments with reference to wheat in section 3 only.

Mr. JONES. That is in part 3.

Mr. RANKIN. The question as put by the Chair covered all of part 3.

Mr. JONES. The other commodities are in other parts of the same title, so the request covered only part 3, which has to do with wheat.

Mr. RANKIN. Is there anything else in part 3 except wheat? Is cotton included in that section?

Mr. JONES. No; cotton is in part 4.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas [Mr. JONES].

The amendment was agreed to.

Mr. JONES. Mr. Chairman, I offer another amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. JONES: Page 54, line 20, after the word "prescribe," insert "and shall be covered into the general fund of the Treasury of the United States."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas [Mr. JONES].

The amendment was agreed to.

Mr. CREAL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, when any group of people representing between 30 and 40 percent of the people receive for their wages only 9.4 percent of the national income there is something wrong. The national income of all for 1936 was \$63,799,000,000. The farm income was approximately six billion, or 9.4 percent of the whole. No one will say that the labor is not as hard and the hours longer than any other kind of labor.

In the more prosperous days agriculture received 20 percent of the national income.

All last week we heard much talk from this floor from those who are opposed to any kind of farm legislation now or any other time. Whenever any remedy is proposed for the farmer they get excited and full of fears, afraid they will hurt the farmer or infringe on his constitutional rights. Others offer advice that certain provisions might invalidate the bill. I presume that some opponents of the bill would be greatly perturbed, indeed, if the bill should be invalidated by the courts after passage.

We heard their applause in this body when announcement came that the A. A. A. had been invalidated, and, judging from that, we know how greatly disappointed they would be if this bill should meet the same fate.

Although a referendum is provided, they assume that the farmer does not know what he wants. They fear he will vote against his own interest. As the referendum is taken annually, it should be considered that after any year's trial the program could be discontinued on any one of the farm crops—cotton, wheat, tobacco, corn, rice.

The part referring a vote could be made, with slight changes in the wording, directory instead of mandatory, relieving all the issue about the legality of the referendum. The result would be the same. So long as we have the present Secretary of Agriculture we know that he would not want to force a program unless the farmers wanted that program as shown by some test of sentiment recorded.

Ah, my friends, it would be a terrible calamity if the farmer should be given power to regulate production according to the views of some of my colleagues. In almost every branch of farming pools and voluntary control by the majority of farmers has been in vogue in patchwork over the Nation and all eventually failed because the whole Nation could not be reached in the program.

If controlled production is a bad thing, then why do other lines of business practice it? It is the secret of success of the other side of the business world. What factory product suffers with overproduction to such an extent that a farmer can buy it at half the cost of production?

Not only is production carefully estimated, but in addition to that price fixing in violation of law goes on and on in spite of all the antitrust statutes. Enforcement is well-nigh impossible.

If all other business proceeded as blindly and extravagantly in overproduction as the farm business, then he could buy what he needs for a little or nothing and all business would be on a parity. In that case the farmer would not need the present proposed remedy. He is the only man as a group who says to all people when he buys, "What is your price?" and when he sells he says, "What will you give me?" He has nothing to say about either end of the transaction.

The maker of the factory product controls both the quantity and the price. Such control is the only defense that the farmer can use in self-defense. If a merchant bought more than he could sell he would go broke. If a factory continued to make more than it could sell it would soon close down. If an individual bought more than he could eat, wear, or use he would be extravagant. Yet our friends who want the farmer to feed and clothe the world for nothing think it the wise thing to do for the farmer to deplete his soil, work his children to death, deny himself all the luxuries of life that others enjoy, and, like the ox in his stall, be content with his humble lot and have his consolation in the theory that it is more blessed to give than to receive.

The farmers want to do business like other business people. They want organized production. Other business can and does organize and control production. The farmer cannot, and the Government agency is the only means by which he can do so. They say it is bad if the minority after a referendum has to pay a tax for overproduction. If penalties must come from overproduction, what does it matter to whom it is paid?

By overproduction he drew down penalties on his own head and all his neighbors'. By raising tobacco year after year in such quantities that it would not pay the freight to market for a year's work he was heavily penalized for overproduction. There is no escape from a penalty for overproduction, whether the Government collects one or not.

Each year the farmer is the only man who must gamble on price and production and grope in the dark as to what his course should be as to production.

Other business sits at the council table and by the use of all expert advice available agree on a course of action.

The farmer sits alone without advice or compass to charter his business for the year.

Some say that Congress has no right to control production. When we prohibit prison-made goods in interstate commerce we thus limit production indirectly.

No one questions the right of Congress to fix tariff rates and they could be such that it would practically destroy production on some articles. Even though it be bad policy no one questions the validity of tariff laws.

Every tariff law enacted was intended to affect production. Let me illustrate how a plan for a fixed price by the factory often has but little relationship with production.

The average price for tobacco as a whole in 1929 was 18.3 cents. In 1932 the price fell to 10.5 cents.

At the same time the retail price of cigarettes advanced from \$6 per thousand to \$6.85 per thousand.

The farmers lost one hundred and seven million in this price slump and the tobacco companies made an increased profit of twelve million in the same time. I know of no law to make the company pay more money. Their only rebuke for overproduction is to pay the sacrifice price, assuming that a hint to the wise is sufficient. This bill provides a method of regulated production in line of consumption to save this enormous waste and penalizing the farmer for his shortsightedness.

Economic scarcity is not recommended by anybody. Economic sufficiency without waste is the desired end. Wasteful overproduction in any business is disastrous.

While synthetic friends may shed crocodile tears about lost liberty under controlled production I do not know that the farmer will regret some of his lost privileges.

He has had the privilege of being the goat with unorganized production in competition with organized price-fixed production in other lines.

When 3 percent of the people get possession of 97 percent of the wealth of the Nation we want to have the privilege of providing a system for a better distribution of the earnings.

To those who weep, wail, and gnash their teeth at the thoughts of regimentation or surrender of individual initiative we ask, What have you done to prevent a system from continuing to take too heavy a toll from those who earn their living by the sweat of their brow and permitting a system to be established that drains all the earnings of all the people into the unequal division of a small minority receiving 97 percent of the gain in wealth?

Organized labor has had some success in getting a fair share of its earnings. The farmer wants the same privilege. [Applause.]

Mr. COFFEE of Nebraska. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. COFFEE of Nebraska: In title III, strike out part 3, relating to marketing quotas on wheat.

Mr. FERGUSON. Mr. Chairman, I make the point of order there is not a quorum present.

The CHAIRMAN. The Chair will count.

Mr. FERGUSON. Mr. Chairman, I withdraw the point of order.

Mr. COFFEE of Nebraska. Mr. Chairman, the amendment I have offered strikes out the objectionable part of this bill pertaining to wheat. It strikes out the compulsory marketing-quota features. It strikes out the un-American penalty provision.

All the benefits the wheat farmer will be able to obtain under this bill are those under the Soil Conservation and Domestic Allotment Act, which my amendment will not impair. The amendment which I have just offered strikes out the marketing quotas and penalty provisions and will not eliminate any of the benefits that the farmer might otherwise obtain. It eliminates only the compulsory control features embodied in marketing quota and penalty provisions.

I would like to quote from a letter from the National Grange to all Members of Congress under date of November 30:

In the opinion of the National Grange both House and Senate bills should be referred back to the committee and stripped of their compulsory features. In planning a long-time program for

agriculture we should not begrudge the time or patience that is necessary to make it sound, workable, and constitutional.

My amendment strikes out the compulsory provisions and referendum, which is of questionable constitutionality. The quota provisions in this bill could force every farmer who raised in excess of his quota to place in storage his surplus production and hold it off the market. What can these tenant farmers and the small landowners do who have no storage facilities to store their wheat? What difference does it make whether that wheat is stored in Bill Jones' granary on the farm or whether it is in the terminal elevators destined for export trade? It is in the showcase. It is a part of the visible supply.

Mr. Chairman, if the farmers are forced to hold this wheat from the market under penalty through the compulsory feature of the bill, many will probably lose their wheat because there are very few who are able to store their wheat on the farm without its deteriorating. If the farmer sends it to a terminal elevator for storage he must retain ownership and that will cost him about 12 cents per bushel per year. What difference will it make on the price whether that wheat belongs to the farmer or whether he sells it in the normal course of trade and it belongs to someone else?

It will have no beneficial effect on the market. There is nothing in this bill which is going to maintain the price of wheat. Payments will be made to wheat farmers under the Soil Conservation Act. We anticipate approximately \$500,000,000 will be distributed under that act. Any additional funds must be provided from new revenue by the Committee on Ways and Means, and appropriations made by the Appropriations Committee. However, the prospects are not very good that additional payments will be made. Consequently, do you believe the wheat farmers of the United States will be satisfied to get a compulsory control bill when they are expecting something worth while? You cannot force farmers who sell in excess of their quota to pay a penalty of 15 cents per bushel. That is a confiscatory tax. The wheat farmer wants a fair price and his fair share of the national income, but marketing quotas and penalties will not give them to him.

Mr. Chairman, I hope those who are opposed to compulsory control and those who are eager to provide a voluntary and a workable plan will support this amendment.

[Here the gavel fell.]

Mr. PIERCE. Mr. Chairman, I rise in opposition to the amendment to strike out the compulsory features of the wheat section of the bill we are now discussing.

We simply must do something of significance for the wheat farmers of this country. Wheat is now growing on 57,000,000 acres. There will ordinarily be sown next spring 23,000,000 acres, or a total of 80,000,000 acres for the 1938 crop. At an average of 12½ bushels to the acre, this means a billion bushels of new wheat in sight next year. We shall carry over more than 200,000,000 bushels, so that the first of next July we shall face a total supply of a billion and a quarter bushels.

The wheat farmers of the country are expecting something will be done to control and stabilize this important crop. My colleague, the gentleman from Nebraska, says, "What difference does it make? It will be in the showcase, anyway." The difference is that if the marketing quotas are retained in the bill and go into effect the farmers will know that they can get fair prices for what they can sell. Measures must be taken to cut down acreage, and we must cut it down if we maintain anything like parity prices.

The quantity of wheat consumed today varies very little from year to year. Human stomachs are inelastic. Bread is the cheapest food that can be bought. It is the cheapest thing on the market.

Mr. FERGUSON. Mr. Chairman, will the gentleman yield?

Mr. PIERCE. I yield to the gentleman from Oklahoma.

Mr. FERGUSON. When does the quota go into effect? The gentleman states the quota will reduce production.

When does it go into effect, after the crop is planted, or before?

Mr. PIERCE. After; that is, it will not go into effect in time to change the 1938 crop, but it will go into effect next fall and will control the 1939 crop.

Mr. FERGUSON. My understanding of the bill has been that the quota cannot be put into effect until May, after the crop is planted.

Mr. PIERCE. It will not affect the 1938 crop, but it will affect the 1939 crop.

Mr. FERGUSON. Regardless of the year, it does not go into effect until after the crop is planted?

Mr. PIERCE. No; but if we pass this bill now, it will be proclaimed in November, and they will start establishing the quotas in May, as the gentleman states.

Mr. FERGUSON. Does the gentleman anticipate this, regardless of what the prospects are?

Mr. PIERCE. If we have on hand a billion bushels of wheat next year with no place to put it and no place for it to go, and with no foreign market, then it is time we should commence to curtail production. This curtailment can and will take place in 1939 if this bill is allowed to pass at this time.

Mr. FERGUSON. The gentleman makes the definite statement it will go into effect.

Mr. PIERCE. I will admit freely the amount of money in prospect is nowhere near enough to afford the farmer a reasonable benefit payment for his wheat. The present authorization will give him a dollar to a dollar and a half an acre, or about 12 cents a bushel. It ought to be something like 25 cents. In the committee I favored a processing tax of 20 cents, which would mean about one-third of a cent additional on a loaf of bread, but would afford the farmer something like 25 cents a bushel as a reward for complying with the program. I think that is about the program we should have had. However, as it is now, the best thing we can do is to pass this bill as it is, with the compulsory features in it.

Mr. LEAVY. Mr. Chairman, will the gentleman yield?

Mr. PIERCE. I yield to the gentleman from Washington.

Mr. LEAVY. The gentleman represents a western wheat-growing district.

Mr. PIERCE. I do.

Mr. LEAVY. So do I. Would it not be infinitely better for our wheat growers if they were permitted to produce for the domestic market on a program of cost of production, and if then the surplus were handled as an exportable surplus based upon world market prices, then if they were given the compulsory program which is submitted here?

Mr. PIERCE. It may be possible we shall have sometime a cost-of-production program, but that is not in this bill, nor in prospect.

Mr. LEAVY. Is there any reason we should not have it now?

Mr. PIERCE. It is not possible for us to obtain it at this time.

[Here the gavel fell.]

Mr. ANDRESEN of Minnesota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Nebraska [Mr. COFFEE]. The gentleman from Oregon [Mr. PIERCE], who has just addressed the committee, has told us this bill will not go into operation for the wheat crop of 1938. I take it the gentleman is correct; in fact, I agree with him, it will not go into effect.

Mr. PIERCE. That is my understanding.

Mr. ANDRESEN of Minnesota. The gentleman states we are about to have a billion-bushel crop, with the possible supply running much higher than a billion bushels, yet with less than 700,000,000 bushels needed for domestic consumption and for export. The gentleman says the bill is not going into effect until 1939.

Mr. PIERCE. On the 1939 crop.

Mr. ANDRESEN of Minnesota. This means the wheat farmers of the United States will, possibly, get the lowest

price they have ever received for their 1938 crop because of the large supply.

Mr. PIERCE. Mr. Chairman, will the gentleman yield?

Mr. ANDRESEN of Minnesota. No; I am sorry, I cannot, my time is so short.

If we are to have any protective program for the wheat farmer it should go into effect immediately, because we have about 250,000,000 bushels more wheat in this country today than we can consume during the next 12 months.

The price has been sinking from \$1.32 a bushel on wheat down to 60 cents a bushel on certain grades. Unless a world demand is created to buy the wheat surplus we have in this country between now and the next harvest, we will probably see 25-cent wheat in the United States again. So by putting through this legislation which makes control effective in 1939, you are doing nothing for the wheat farmers of this country. As you know, I am opposed to compulsory control of wheat or any other commodity. The wheat farmers of this country do not want compulsory control. We did not have a single wheat farmer or a single wheat representative appear before our Committee on Agriculture in favor of compulsory control; in fact, the members of the committee from wheat sections during the first 2 weeks of the deliberations of our committee opposed compulsory control of wheat, but it crept into the bill after the beginning of our special session of Congress. Now, why give the farmers something they do not want or something they are not asking for? All they are interested in is securing fair, decent prices for their wheat. Instead of giving them parity prices, this legislation permits the accumulation of such large surpluses as will depress the price of wheat rather than increase the price and give them cost of production or parity.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. ANDRESEN of Minnesota. I yield.

Mr. HOOK. As I understand the gentleman's argument, he is for a high tariff and always has been. Will the gentleman explain to me, with a high tariff, how he expects to be able to increase his world market?

Mr. ANDRESEN of Minnesota. I can tell the gentleman this: The American people have purchased around 50,000,000 bushels of wheat during this year from foreign countries. This is wheat that was brought in here and with a duty paid on it, due to this administration's program of scarcity. As to going into the general details of the tariff with the gentleman, I will be very pleased to take that up with him and discuss it at length later.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. ANDRESEN of Minnesota. I yield.

Mr. CRAWFORD. It might be well for my colleague from Michigan [Mr. Hook] to look up and see how Japan has expanded its world markets in face of all the tariffs imposed by the countries of the world. You expand your markets by making a better product and selling it at a lower price or by cutting costs.

Mr. ANDRESEN of Minnesota. Apparently the gentleman from Michigan is interested in providing a market in the United States for commodities produced in other countries.

Mr. Chairman, I hope the amendment of the gentleman from Nebraska will prevail. The type of legislation to give wheat farmers cost of production or parity prices should be in the form of a legislative proposal which will aid them in the disposal of their surplus in the world market. The compulsory control provisions of the bill before us will surely destroy the world market and pile up huge quantities of wheat in this country to further depress the price.

If the amendment to strike compulsory control is adopted, the wheat farmers will receive the same benefits under a voluntary program as provided in the Soil Conservation Act.

Mr. FERGUSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this is the first time I have taken the floor on this farm bill. I represent a district that is probably in the first 10 in the Nation in the production of wheat. I have

counties that in years past have produced more wheat in a single county than half the States in the United States. I have tried to sell myself on this marketing quota for wheat, but try as I will, I can find no single benefit that can be derived from it for my wheat farmers.

In the first place, the argument that the imposition of a quota will reduce production is absurd. The Secretary does not impose the quota until the acreage is already planted. The wheat is planted and then on May 15, if the Secretary of Agriculture has previously determined, we have more wheat than we can consume and export, he says, "You made a mistake and planted too much wheat and now the Department of Agriculture is going to impose a penalty on you for planting that wheat."

How is this penalty arrived at? I took my slide rule and made the necessary calculations to find out how the Secretary of Agriculture arrived at a conclusion under this quota basis, and finally taking the 10-year average of the acreage in Oklahoma, I determined that approximately four and a half million acres would be assigned to that State. Figuring our State average at 11.5 bushels, I find that our normal production would be 51,000,000 bushels. If you reduce this by the 20 percent anticipated, it gives us a quota of 40,000,000 bushels. The national crop is now at 990,000,000 bushels. Therefore, according to the advocates of this bill, the quota would be in effect, and this year in Oklahoma we would have 22,286,000 bushels of wheat subject to a penalty of 15 cents per bushel.

You may say that the farmers of Oklahoma should pay this \$3,342,000, which would be the amount of the penalty. If he does not desire to pay the penalty, he has the choice of storing the wheat. You cannot store wheat on the farm, you have to send it to the elevator, and what is the cost of storing wheat? One cent a bushel a month, and if he carries it over to the next crop, as he undoubtedly would have to do if the quota were in effect, he would be taxed 12 cents storage on his carry-over.

He has a choice of a 15-cent penalty or a cent a month storage. How a Congress can consider this quota, which is an admission of the fact that you are penalizing the farmer, taxing him into keeping his surplus, as something that would raise the price of wheat after the experience of the Farm Board, I cannot understand. It is recognized by the Department of Agriculture the day that the Secretary of Agriculture invokes the quota that a surplus exists. If it is on his farm, it is there, if it is in the elevator, it is there, held over the market, to depress the price, and the wheat farmers of my district would not be in favor of this legislation. I am glad to have had this opportunity to support the very intelligent amendment offered by the gentleman from Nebraska [Mr. Coffey], that strikes out all of the quota provisions in reference to wheat in this bill. With that out of the bill the fact that they attempt to regulate freight rates, the fact that they attempt to extend the activities of the Surplus Commodities Corporation, makes it a good bill.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. KLEBERG. Mr. Chairman, I move to strike out the last word. I rise in support of the amendment of my colleague from Nebraska [Mr. Coffey] to strike out the compulsory provisions of the bill as they apply to wheat. Last year at the windup of the session our committee had had under consideration a bill which was a white mule, just like the compulsory features of this bill happen to be. White mules you know according to tradition are not supposed to die from natural causes. In some way or other that mule was led around the block and brought back with a few spots of paint on it and sold as a paint mule, without possessing any advantages over the mule when not painted. The white mule was turned down for various faults and defects this same year some time ago, and now we are buying a painted mule with service-connected disability that happens to be that identical white mule, though with a few spots of paint on it, and it has been given a part in what would otherwise

have been a reasonably though temporarily successful piece of farm legislation, and without adding other than a white mule of another color to it.

Mr. Chairman, a peculiar situation exists at this moment. In discussing the penalty provisions of this bill, it happened to be my province the other day to call the attention of the House to the many new gymnastics essential for Congress to go through to put the quota provisions into effect. First of all, Congress has to take off its hide, something that is part of it, its power to regulate commerce, to make these quota provisions apply. It delegates this power of which it cannot divest itself to the Secretary of Agriculture. That is the first thing and we know Congress cannot do that. We then do a cartwheel or something by attempting to divest ourselves of a power which we do not have, and then attempt to vest that nonextant power in the Secretary of Agriculture, permitting him under certain conditions and following certain trends—trends, mind you, undefined—to indulge in legislation which affects the control of production, arriving at exactly the same unconstitutional end complained of by the Supreme Court when it reviewed and finally nullified the Agricultural Adjustment Act.

Let us not kid ourselves, when we drift from the position which this Nation has occupied for years under a representative government into a condition where we lapse into autocratic and bureaucratic control, which we must do if we follow the quota provisions set up in this bill. We are by our action here today under the quota provisions of this bill instituting a process which will result in dooming representative government. Thomas Jefferson said not so long ago, and it appears in the Kentucky Resolutions, something which had to do with the present-day citizen's view with reference to what might be termed too implicit confidence in our public men. He said:

It would be a dangerous delusion were a confidence in the men of our choice to silence our fears for the safety of our rights. Confidence is everywhere the parent of despotism; free government is founded in jealousy; not in confidence. It is jealousy, and not confidence, which prescribes limited constitutions, to bind down those whom we are obliged to trust with power. Our Constitution has, accordingly, fixed the limits to which, and no further, our confidence may go. In questions of power, then, let no more be heard of confidence in man, but bind him down from mischief by the chains of the Constitution.

I make no unnecessary plea as to the patently unconstitutional provisions of this bill. Every member of this House, be he layman or lawyer, applying casual attention of his mind to the question, is bound to be confronted with the facts. Mr. Chairman, I can see no reason why Members of Congress from the sections which produce cotton, wheat, field corn, rice, and tobacco should vote to retain the compulsory quota provisions of this bill.

By so doing they are not jealous in the protection of the liberty of their farmer constituents and evince a willingness to saddle them with a useless white mule. A white mule who has been colored and whose only contribution would be his doubtful beauty and whose defects are known even to past generations who have discarded him.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. HOPE. Mr. Chairman, the district which I represent produces more wheat than any other congressional district in the country. It has produced as much as 140,000,000 bushels of wheat in a single year. I have given a great deal of thought and study to the problem of wheat, and, in its essentials, it is the same as the cotton problem because in the case of each commodity you have one in which the price is based upon the world price, influenced by world supply, and yet you have the producers of those commodities buying in a market which is very largely a protected one.

I think the logical and fair solution in the case of each of these commodities is to frankly recognize the fact that we cannot protect them under our tariff system, that the producers thereof are discriminated against because of our tariff system, and that we should pay a subsidy out of the Federal Treasury, raised preferentially through a processing tax on the commodities involved, in order to equalize the lack

of tariff protection. I think that is the soundest program that has been offered for both wheat and cotton. I do not believe it is sound to attempt to restrict our production of either of these commodities to the basis of domestic consumption. To do so in the case of cotton would be ruinous, and to do so in the case of wheat would involve adjustments which at the best would be extremely hard to make, and which would have repercussions in other lines of agricultural production because it would require a shifting of acreage to other crops.

I have found it very difficult to support a measure which included any provision for marketing quotas, yet I have asked myself this question a great many times since the matter of marketing quotas has been under discussion: "What will we do in this country in connection with the wheat problem the first time we have 1,027,000,000 bushels of wheat as a year's total supply?" That is what we are going to have. It is almost inevitable. We will probably have it next year. We will certainly have it the year following, unless we have a crop failure or a yield very much below normal. When we reach that stage of supplies, it is my opinion that the farmers of this country will be demanding something a great deal more drastic than a provision for marketing quotas. I know that many farmers in my district at this time are opposed to what they refer to as compulsory control. I do not know whether they have in mind marketing quotas or whether they have in mind some compulsory control over production, but I am very firmly of the opinion that whenever we reach that stage where our total supply is over 1,000,000,000 bushels, with a price level that will inevitably follow a supply that large, my farmers are going to favor marketing quotas.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. HOPE] has expired.

Mr. PHILLIPS. Mr. Chairman, I take the floor at this time, not to make any speech, not to voice any opinion, but to put a few questions out on the air, so to speak, because there may be others like myself who are open-minded on this subject and wish to be enlightened.

First of all, I am sure there are many, like myself, who do not believe, as a philosophy, in an economy of scarcity. But even admitting that we are facing a condition and not a theory, even admitting that it may be necessary to adopt an economy of scarcity to meet the condition at the time, here are some of the questions that we wonder about:

First of all, the practicality of a national election—and that is what it is—on wheat, on corn, on cotton, on rice, and on tobacco. A day or two ago I raised the question on the floor as to such an election. Would it be held locally, that is, two or three communities together? Would those communities be bound by the result and other communities not be bound? The gentleman from Washington [Mr. LEAVY] asked the question, and he was told by the chairman of the committee that there would be national elections, the farmers of Maryland, our neighbors, for instance, being bound by what the farmers of Kansas and Texas voted. Is that wise? Some of us would like to know.

Also, we would like to know, assuming the bill is passed, how can you store grain on farms under seal? Is an inspector going to put his seal on every slat of a corncrib or on every board of a wheat bin? How can that proposition be worked out practically?

Lastly, are we wise in passing farm legislation that is not definitely, intimately, and delicately geared with legislation affecting tariffs, wages, and hours?

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, this is my maiden observation on the pending farm bill, but may I suggest, even though it is unpleasant to suggest it, that history runs in deadly parallels. The gentleman from Nebraska, irrespective of the merit or lack of merit of his amendment, is very essentially right when he says that whether you impound this wheat on the farm or

in terminal elevators, or any other place, it will be in the so-called national showcase, or reflected in the visible supply, and will have a tremendous overhanging effect on the market.

Stop thinking of wheat for a moment as so many wheat berries, and think of it in terms of flour. I used to be a baker. I always thought of wheat in terms of flour. Five bushels of wheat to a barrel of flour. One billion bushels of wheat, 200,000,000 barrels of flour. Three hundred 1-pound loaves to the barrel. Sixty billion loaves of bread. That is the way this wheat crop appeals to me.

Now, look at the parallel. Under Herbert Hoover we had the so-called Farm Board. They were given authority to go out and buy and sell wheat. They finally impounded 245,000,000 bushels of wheat. We are still liquidating that Board and trying to collect for wheat which it sold abroad. Divide that by 5 and it indicates the number of barrels of flour that the Farm Bureau controlled. Every time a flour salesman came into our place of business I said, "For how much can I get a barrel of flour or a thousand barrels or 5,000 barrels for 90-day or 120-day or 180-day delivery?" Do you know what he would say? He would say, "You tell me what the Farm Board is going to do and I will tell you what flour will be worth 90, 120, or 180 days from now."

The Secretary of Agriculture has authority to suspend the quotas. This means that while this wheat in the Wheat Belt farm, which is translated in terms of flour, may be stored on the farm or in elevators it is a threat and holds things in suspense. The overhanging supply helps determine the price wheat will bring. Under the Farm Board, the Board had authority to say when wheat should be released for the market. Under the pending bill, it is the Secretary of Agriculture who determines and suspends quotas. There is the parallel so far as overhanging supply is concerned.

You must think of the consumer back home who eats bread. This wheat, if processed into flour, would provide about one and one-third loaves of bread per day for every man, woman, and child in this country; certainly not too much. Put up the price too high, and what happens? They will go to macaroni and spaghetti made out of durum and semolinas; they will go to potatoes; they will go to sweet-potatoes. After a while your demand begins to recede, and then your price begins to go down. The overhanging supply is therefore a potent factor in determining the price of wheat, whether it is stored in John Jones' barn or in a Minneapolis, St. Paul, or Kansas City elevator. That is what is going to determine ultimately what price the wheat is going to bring, and it is only proper that the Committee should have this parallel recalled as it proceeds to vote on the amendment of the gentleman from Nebraska. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from New York [Mr. WADSWORTH] is recognized for 4 minutes.

Mr. WADSWORTH. Mr. Chairman, not long ago I would have been astounded had I been told that within my lifetime, the Congress of the United States would pass legislation inflicting a penalty upon the farmer for selling more food than the Secretary of Agriculture said he could sell.

The amendment offered by the gentleman from Nebraska brings up just one simple question: Is liberty to be banished in America? I cannot conceive how any person conscious of the provisions of the Constitution of the United States can contend that Congress has the power to say to John Jones working his own acres that he cannot plant certain acreage to a certain crop as best fits his judgment, and that he cannot sell more than a certain number of bushels of his own produce from his own land save at the expense of a penalty, to be imposed in the form of a tax per bushel prohibitive in amount, or a fine, or imprisonment, as was attempted under the Potato Act.

Has Congress the power to do a thing of this sort to the farmer living on his own land? If so, then it may say to a manufacturer: "You shall not manufacture more than so many pairs of shoes." It may say to a tailoring establish-

ment: "You shall not make more than so many suits of clothes."

If this power is extensible to a farmer under the Constitution—and that I deny—but if it is extensible to a farmer with respect to his wheat, and his corn, and his cotton, then it is extensible to every citizen of the United States who produces anything.

To my mind this bill spells Hitlerism in its fundamentals, for under it you propose to say to me: "Despite the fact that you are supposed to know what you are doing on your own land, we know better than you do; and you shall not make your living in the way you want to make it, you must do it in the way prescribed by Government." This is what goes on in Germany. The German farmer today—and they are but a step ahead of this bill—the German farmer today is told what he must plant. He must raise potatoes if the Government tells him to, and if he does not raise his potatoes effectively the Government displaces him and puts another man on his own land. We are marching in that direction with this kind of legislation. [Applause.]

[Here the gavel fell.]

Mr. HOFFMAN. Mr. Chairman, I offer an amendment.

Mr. FERGUSON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FERGUSON. Is there not an amendment pending?

The CHAIRMAN. The pending amendment is to strike out the title. The amendment offered by the gentleman from Michigan is to perfect the title. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN: Page 50, line 9, after the word "committee", insert "not more than one of whom if said committee numbers more than two and not more than two of whom if said committee numbers more than three and no more than three-fifths of whom if said committee numbers more than three, shall be members or supporters or vote the ticket of any one political party."

The CHAIRMAN. The gentleman from Michigan is recognized for 3 minutes.

Mr. HOFFMAN. Mr. Chairman, the gentleman from New York [Mr. WADSWORTH] seems to be concerned with the question of whether this bill is constitutional. The question of the constitutionality of proposed legislation has not heretofore prevented its passage. This House, like the administration, seems to be possessed with the idea that it must do something whether the doing be good or ill. During the past few years Congress has passed a number of laws which were clearly unconstitutional. We have before us others which are clearly unconstitutional, which take away the power of the States, which give to the Federal Government and Federal Departments arbitrary authority over the everyday lives of the citizens. We have the legislative "itch" and nothing will cure it except the passage of additional laws. Enactment of legislation, regardless of its constitutionality, its workability, or its practicability, is the rule. We passed the capital gains tax legislation and the undistributed profits tax. We enacted a law giving us the processing tax. Millions were illegally collected, have never been refunded to the taxpayers and never will be. Still the motto hangs on the wall, "Legislate regardless of the consequences." Another depression, another crisis, some other emergency may distract the people's attention before they catch up with us.

My amendment is simply an attempt to make this bill, after you do pass it, a little less obnoxious to everyone.

Under the welfare act in our district, Republicans, in fact all who wanted to get on welfare, were forced to sign blanks which disclosed how much, if anything, they had contributed to the Democratic organization since 1932.

This bill is to be administered by a committee, elected in the district, but controlled by the Secretary of Agriculture. We do not wish this act to give the same opportunity to purchase votes by a distribution through the Department of Agriculture of substantial cash payments or enlargement of quotas. This amendment is for the purpose of making it possible to have the act legally administered by a non-partisan as distinguished from a political committee. The

amendment does not require that a Republican be a member of the committee, but I would like to see the law so phrased that it would be possible, say, for a Progressive or someone who is not a New Dealer, to be a member of the committee.

That is why I offer this amendment. I will say to my friend LUCAS, from Illinois, who is giving me encouragement by his smile, he knows what our country over there is. He was over there with the soldiers.

Mr. LUCAS. Will the gentleman yield?

Mr. HOFFMAN. The gentleman would make a speech if I yielded to him. I would say to my friend from Illinois, and I know he personally would not take an unfair advantage, that we would like to have someone on the committee who is not a New Dealer, if there are to be more than two. The amendment I have offered provides for a nonpartisan committee. Is there anything wrong with that? Bear in mind, I am not asking to have a Republican put on there. I would not think of making that sort of request to anyone connected with the administration, but just to have on there someone who is not a New Dealer.

Mr. KNUTSON. The gentleman would be in favor of putting some Jeffersonian Democrats on the committee?

Mr. HOFFMAN. Yes; a Jeffersonian Democrat, or just a plain Democrat, but not all New Dealers. New Dealers, I have noticed, exclude Democrats as well as Republicans. They exclude everyone whose mind does not run along with the mind of the administration, that is, except when the Supreme Court interferes with their political vote buying. It would be only fair where the distribution of public funds is involved and where quotas are fixed and the question of whether a farmer has conformed or not is to be determined, to have those allotments made, those quotas fixed, the question of conformity or nonconformity decided by a fair and impartial committee, and that cannot be done and that will not be done where the law is administered by those who believe in regimentation, the control of the private lives of our farmers and their farms by the Secretary of Agriculture or his subordinates.

You Democrats who opposed the packing of the Supreme Court and were threatened with political execution, you, if any there be, who have set aside your own good judgment at the request of some bureaucratic chief or subordinate, you who day in and day out, week after week, month after month have followed without sign of revolt the orders, not only of the President but those issued by the various Departments, and who now find yourselves threatened with opposition in the next campaign by the administration or spokesmen for it, as some of the Senators who opposed the packing of the Court have been threatened, should have the situation in mind and for your own self-preservation as well as for other reasons, you should oppose this plan to strengthen the powers of the various Departments which at any moment may turn against and destroy you.

The arbitrary authority which you helped to create in these various Departments and which some looked upon with complacency when it was used to defeat Republicans will, in the next campaign, be used against men who believe in the principles of the Democratic Party and who have long served that organization well and faithfully.

[Here the gavel fell.]

Mr. REED of New York. Mr. Chairman, I am going to address myself for a few moments to the regimentation features of the bill and the pains and penalties to be imposed upon the farmers of this country.

This seems to be the year when we are celebrating the one hundred and fiftieth anniversary of the Constitution of the United States. A great many individual liberties are guaranteed in that document. There is not a man on this floor who does not know that once you begin the regimentation of any group in this country it is going to continue, and every man here knows from past experience that when you pass a bill with a few regimentation features in it, by the time the bureaucracy gets through with it, the principle is carried to the 7th degree. Individual liberty is destroyed. You had that experience under the Blue Eagle. The Mem-

bers who voted for the N. R. A. never expected they were going to impose the penalties and bear down upon the free citizens of this country as was done under that act.

May I illustrate how far these things go when some reigning power decides it ought to, for the general welfare, regiment its people. It is not so long ago in history that a bill comparable to this farm bill was passed and became law in Japan. The farmers were regimented down to the finest detail. Under that law a person who was assessed a hundred pounds of rice was forbidden to build a farmhouse exceeding 65 feet long. A farmer assessed 50 pounds of rice was held down to a farmhouse 46 feet long. He could not have an alcove in that house and the law prescribed that he could use only a certain quality of tile on the roof.

The man who had property assessed at 20 pounds of rice was restricted to a thatched roof and he could not have even the comfort of a mat on the floor of his house. They carried the detail down to the point where they regimented the farmers' wives under that bill and prescribed what they could wear. It even prescribed the type of hairpins she had to wear. They had to be wooden hairpins.

In every detail the farmer was regimented. He was regimented to the kind of clothes he could wear and the kind of dishes he could use on his table. What kind of a set-up did they have? Did they have a county unit? No; but they had almost the same set-up.

They simply organized the Japanese families into households of five or more; then there was a chief who was responsible to the higher power; in other words, the central authority. He was comparable to the county agent that we find in the pending bill.

They imposed very drastic penalties in that country, and these penalties were all applied to the farmers. They even went so far as not only to stop freedom of speech among the farmers but they prescribed by law what the farmers could not say and prescribed under certain conditions what he must say, even to exact words and phrases. Whether that was done to get the right answer on a referendum conducted by the then secretary of agriculture history does not reveal, but the fact remains all of these drastic regulations had a certain effect upon the national character of the Japanese.

Mr. Chairman, our farmers are not going to stand for any such regimentation program. It has been tried in past history. As the distinguished gentleman from New York [Mr. WADSWORTH] just stated, they are doing it now in Germany. All through history these things have been tried, and it has always meant the destruction of liberty. [Applause.]

[Here the gavel fell.]

CLASSIFICATIONS FOR WHEAT

Mr. CASE of South Dakota. Mr. Chairman, I rise to call attention again to one provision in the bill if the bill is agreed to and becomes law as written. We have section 333, which reads:

REGIONAL OR MARKET CLASSIFICATION

Sec. 333. The provisions of this part shall apply to wheat, but the Secretary is authorized after due notice and public hearing to interested parties to treat as a separate commodity any regional or market classification, type, or grade of wheat if he finds such treatment necessary in order adequately to effectuate the policy of this act with respect to such regional or market classification, type, or grade.

The importance of that provision, which should go even further in my estimation, is evidenced by the fact that it is not hard spring wheat but the soft winter wheats that create the surpluses, if any. The increase alone in the estimated production of winter wheat for 1937 is equal to one-third of all the spring wheat produced. The Department of Agriculture's summary as of November shows these figures:

	1928-32	1936	1937 (preliminary)
Wheat, all kinds.....	864, 532, 000	626, 461, 000	886, 895, 000
Winter (of above).....	623, 220, 000	519, 013, 000	688, 145, 000
Spring (of above).....	241, 312, 000	107, 448, 000	198, 750, 000
Durum spring (of above).....	53, 687, 000	8, 175, 000	28, 335, 000
Other spring.....	187, 625, 000	99, 273, 000	170, 415, 000

These figures show that normally, spring wheat is something over one-third of winter wheat in production. And hard spring wheat is the choice flour wheat. But this year, although we have a supply above normal on the total of all wheat, spring wheat provides less than one-fourth of the total supply. They show that while winter wheat is 10 percent above the average years from 1928 to 1932, spring wheat is 16 percent below the 5-year average.

If a marketing quota is applied to wheat as a whole, the burden of the soft wheat surplus will fall in multiplied violence on the hard-wheat producers.

When we have a drought, it is the hard spring wheat that suffers. Look at the figures for 1936. While winter wheat was down 16 percent from normal, spring wheat as a whole was down 55 percent. And durum was down 80 percent.

The wheat growers in the Dakotas feel that durum should be eliminated from the wheat classification as a whole and that separate classifications should also be made for other wheats according to market and regional trade customs.

The matter is of national importance. Under the idea of the ever-normal granary, what wheat will be put in the granary? The surplus of soft wheat or good hard flour wheat? There never has been an overproduction of hard spring wheat, and in the national interest, it should have a separate classification so that the burden of a surplus in the soft wheats would not create a desperate shortage.

As stated by an editorial in the *Dakota Farmer*:

To provide the ever-normal granary with bread wheat, its production must not be decreased.

Five classification have been suggested as proper for allotment purposes:

1. Hard, red spring wheat.
2. Durum wheat.
3. Hard, red winter wheat.
4. Soft, red winter wheat.
5. White wheat.

I am sure that recognition of these facts prompted the inclusion of section 333 in the bill authorizing the Secretary to hold hearings and make separate classifications if he finds it necessary to effectuate the purposes of the act.

The people in my section would like to have an amendment providing that the Secretary shall make the proper classifications to treat the different kinds of wheat as separate commodities. The amendment they have suggested would direct the Secretary to hold the hearings and make a finding. May I ask the chairman of the Committee on Agriculture if he feels section 333 is such that the Secretary will take notice of a demand or of a given situation and call these hearings in order to make these classifications?

Mr. JONES. I think so. The objection to putting a direction in the bill for him to do that is the fact that in many years they will not need it and in other years they will. There is no use holding expensive hearings unless there is need for the hearings. I am sure the Secretary will hold hearings when the need is apparent.

[Here the gavel fell.]

Mr. JONES. I believe there is considerable misunderstanding about the purposes of this particular part. This does not in any way interfere with the normal flow of a normal crop of wheat, and does not contain any sort of production control. Provision is made in title II for loans. Without this part of title III we shall simply have soil conservation plus loans on a reasonable basis when there is about to be a price collapse. Only when there are more than a billion bushels of wheat on hand, including the production from that crop year, can the quotas be effective, and then only is less than one-third of the farmers who would be subject to such quotas do not favor the imposition of quotas.

Think back over previous years and recall what a supply of a billion bushels means in terms of prices. In 1931 we had in my section of the country a price of 18 cents per bushel for wheat. It would not be regimentation if you simply provide that when conditions reach such an absurd length the farmers, if they wish, may not do more than require a grower to hold off the market a certain percentage of his production.

Right in the Constitution, that they talk about, it is stated that Congress shall have the right to regulate commerce between the States. You talk about regimentation! When you enact a high-tariff system which takes care of the industrial wing of this country and then want to link with that a provision which will inevitably in the surplus years drive us back to 20-cent wheat you provide for regimentation of a far worse type than a provision which will enable the farmers to get a fair price for their products. I do not want to be regimented back to the dark days of 1931 and 1932. Do you?

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. JONES. No, I am sorry; I do not have the time.

We have here a very mild provision. We have the soil-conservation amendments, which I hope is sufficient to handle the whole situation, and I believe it probably will with the exception of perhaps 1 year in 10. However, when we reach the terrible situation where we have the loans, and we have the surplus supplies, and then a bumper wheat crop comes along, while we are selling all we can abroad—and we have a provision for the use of over \$100,000,000 to do this selling abroad, even paying losses on such sales—if you vote to strike out this title and vote that the farmer must shoulder a weight of 20 or 25 cents a bushel, even though two-thirds of them want to impose quotas, then, in effect, you vote for a kind of regimentation that absolutely wrecks the whole farm population of this country. If you join with those who believe in the high-tariff system and are unwilling to go along with the philosophy even of the man who first advocated the high-tariff system, then you vote for a result which in the bad years will mean another price collapse, with its consequent destruction of farm purchasing power and eventual industrial collapse.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. HOFFMAN].

The question was taken; and on a division (demanded by Mr. BACON) there were—ayes 42, noes 87.

So the amendment was rejected.

Mr. PIERCE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PIERCE: Page 16, line 1, after the words "marketing quotas", insert "and allotment payments."

Mr. JONES. Mr. Chairman, this is an amendment to page 16. We have passed that section.

The CHAIRMAN. The gentleman is correct.

Mr. JONES. I make the point of order, Mr. Chairman, that the amendment is not germane.

The CHAIRMAN. That section has been passed; therefore the point of order is sustained.

The Clerk will report the further amendment offered by the gentleman from Oregon.

The Clerk read as follows:

Amendment offered by Mr. PIERCE: Page 44, line 3, strike out the words, "marketing quotas" and insert in lieu thereof the words "allotment payments."

Page 50, strike out lines 18 to 25, inclusive.

Pages 51, 52, 53, and 54, strike out entire pages and insert in lieu thereof the following section:

"Sec. 337. (a) As soon as practicable following the close of each marketing year for wheat, the Secretary shall make allotment payments with respect to each farm upon which the acreage devoted to wheat during such marketing year is not in excess of the applicable acreage allotment for the farm: *Provided, however*, That, in accordance with regulations prescribed by the Secretary, reduced payments may be made for substantial compliance with such acreage allotment. The allotment payments shall be at the rate of 15 cents per bushel of the normal production of the farm acreage allotment of wheat for such marketing year, but in no case shall the rate of payment per bushel exceed the amount by which the average parity price exceeds the average of prices received by farmers for wheat in the United States during such marketing year.

"(b) The allotment payments provided for in subsection (a) of this section shall be made upon such terms and conditions, and in such manner, as the Secretary determines will carry out the policy of this title.

"(c) Such payments may be made, subject to the consent of the farmer, in the form of wheat, in such amounts as the Secretary determines are equivalent to money payments at the rates set forth in subsection (a) of this section."

Mr. ROBERTSON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ROBERTSON. Is the only difference between this amendment and the Coffee amendment that the amendment of the gentleman from Oregon provides a 15-cent-per-bushel payment to the wheat farmer?

The CHAIRMAN. The Chair does not consider that a parliamentary inquiry. The Coffee amendment was to strike out the title.

The question is on the amendment offered by the gentleman from Oregon [Mr. PIERCE].

The amendment was rejected.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from Nebraska [Mr. COFFEE].

The question was taken; and on a division (demanded by Mr. ANDRESEN of Minnesota) there were—ayes 77, noes 51.

Mr. JONES. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. JONES and Mr. COFFEE of Nebraska.

The Committee again divided and the tellers reported that there were—ayes 85, noes 76.

So the amendment was agreed to.

Mr. BOILEAU. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. BOILEAU moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

The CHAIRMAN. The gentleman from Wisconsin moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

The gentleman from Wisconsin is recognized for 5 minutes.

Mr. BOILEAU. Mr. Chairman, I call your attention to the fact that the Committee has just now taken action which, if followed with reference to the other commodities, would mean doing away with marketing quotas, and I presume that, certainly, if the Members of the House do not want marketing quotas on wheat, they do not want marketing quotas on rice, corn, tobacco, and cotton, because as I gather the feeling here, there is a stronger sentiment against marketing quotas with respect to these other commodities than there is with respect to wheat. So I am assuming it will be the judgment of the Committee to strike out these marketing quotas.

If this be true there is nothing left in the bill that is not already provided for under existing law.

Bear in mind this bill has three or four different features. In the first place, we provide in the first part of the bill for certain amendments to the existing soil conservation and domestic allotment plan, but also bear in mind that there is not a thing that can be done, at least for the 1938 crop, under the amendments we propose in this bill that cannot be done under existing law. As a matter of fact, the Department of Agriculture has already submitted to the public the 1938 soil-conservation and domestic-allotment plan, and they tell the Committee that even if we do pass this bill, with the soil-conservation features as written into the measure, and with the proposed amendment that will be offered by the gentleman from Illinois [Mr. LUCAS], which amendment is now pending, and even if that amendment should be adopted, there is nothing in the bill, so far as the soil-conservation program is concerned, that can be done in 1938 or will be done in 1938 that cannot be done or will not be done under existing law.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I am sorry I cannot yield now. If I get more time, I shall be pleased to yield to the gentleman.

I am offering this motion in all seriousness, and not as a pro forma motion. I submit that so far as soil conservation is concerned, there is nothing in the bill we need for this year. Secondly, we come to the loan provisions. We provide for loans, but the loans are not compulsory, and I submit to you that under existing law the Surplus Commodity Corpora-

tion can make the loans as provided in this bill. So we do not need the bill for that purpose.

What else is there left in the bill? Marketing quotas; and you have just taken action striking out the marketing quota for wheat, and I presume you will want to do the same thing with reference to the other commodities.

Mr. Chairman, I make this motion not as one opposed to a farm program. I am in favor of a farm program; but I submit that the Committee on Agriculture, of which I have the honor of being a member, has not presented a bill that meets the approval of the membership of this House. [Applause.] If we strike out the enacting clause here and now, rather than waiting 2 or 3 more days to recommit the bill, it seems to me the Committee on Agriculture will then know the attitude of the Members of the House, and we will go back into the committee and will work out a bill on a different theory and base it upon a different principle. We will take the bill introduced by Members on your majority side—the gentleman from Iowa [Mr. EICHER] and the gentleman from Oklahoma [Mr. MASSINGALE]—a bill, as I understand it, based on a different philosophy. It is a bill based on cost of production, and it brings up the parity price, too. As a matter of fact, I may say to the gentleman from Texas, who just made a suggestion to me, that he ought to be for such a program, because I do not know of any program which is more in harmony with the result which the gentleman advocated before the committee; and I appeal to you cotton people to let us get together on a program that will meet the wishes of the American people. The American people do not desire this type of program. They want a farm program, but they do not want this kind of program; and, in view of the fact that everything left in the bill can be done under existing law, we are not hurting anybody if we knock this bill into a cocked hat and send it back to the committee, and I know our committee will find a way of bringing back a bill here that will do justice to the American farmer. [Applause.]

Mr. JONES. Mr. Chairman, I am amazed at some of the statements of my good friend from Wisconsin [Mr. BOILEAU]. In the first place, a vote by about one-third of the membership of the House is not final by any means on an amendment. [Applause.] The gentleman then follows with the statement that there is nothing else in the bill. There is a tremendous amount of other things in the bill, even though the House should eliminate the wheat quota. In the first place, there is a provision for allotting acreage for soil conservation purposes on the tilled acreage basis, which practically all the farmers in every section of the country want. That would go out, and you see again what a jam we get in sometimes when we follow the wishes of a gentleman, like the gentleman from Wisconsin [Mr. BOILEAU], fine fellow though he is, who wants to wreck the bill, because he wants a particular thing. They have tried to correlate people who want a half dozen different types of bills. What he wants is the price-fixing bill. Somebody else wants the domestic-allotment plan, and so on, but there are other things in this bill. In the second place, we provide the domestic-allotment plan may be used. We also provide for the Secretary to make applications to the Interstate Commerce Commission and fight them through for adjustments in the discrimination against agriculture in freight rates. Certainly that should stay in the bill. We provide for a fund of \$125,000,000 for widening the distribution of farm commodities and their products at home and abroad, making it the duty of the Secretary of Agriculture to use this fund. I think that is the most important provision in the bill. [Applause.]

I believe in the philosophy of selling all of the farm products and their commodities, both here and abroad, that can be sold at anything like a reasonable price. This bill is riven through, if you will turn over to the latter part of it, with provisions that stimulate an effort to broaden and widen the distribution of farm commodities, and I think that is a tremendously important provision. But as a matter of fact surely, surely, this Congress that can remember the days of 1931 and 1932, when the destruction of the purchasing power

of farmers brought down the business of America and left the smokestacks of industry rusting in idleness, will not be led astray by the gentleman from Wisconsin. Are you gentlemen, simply because you happen to be in a whim, going to vote to destroy any farm bill? The bill suggested by the gentleman from Wisconsin can never pass this House at this time. The time may come when it can, but when you talk about regimentation, when you fix the price and put everybody in jail or fine them for selling at a price below the fixed price, then you will have to have a tariff as high as Haman, and you will have to have a 12-cent tariff on cotton and go over, lock, stock, and barrel, to the philosophy that destroyed the export business of this country. Are you going to do that? I do not believe you will. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired. The question is on the motion of the gentleman from Wisconsin that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

The question was taken, and on a division, demanded by Mr. BOILEAU, there were—ayes 44, noes 142.

So the motion was rejected.

The CHAIRMAN. The clerk will read.

Mr. JONES. Mr. Chairman, in order to save time I ask that part 4 be read by title, and be inserted in full in the Record, and be subject to amendment at any point.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that part 4 be read only by title, and that amendments be offered to any part of the title. Is there objection?

Mr. ANDRESEN of Minnesota. Mr. Chairman, I reserve the right to object. Is it the purpose to discuss that and have amendments offered this afternoon?

Mr. JONES. I hope at least to have the perfecting amendments offered, but may not vote on any motion that may be made with reference to the entire title. I hope to get the perfecting amendments disposed of this afternoon.

The CHAIRMAN. Is there objection?

There was no objection.

The Clerk read the title.

Part IV is as follows:

PART IV—MARKETING QUOTAS—COTTON LEGISLATIVE FINDINGS

SEC. 351. Excessive surpluses and violent fluctuations of supplies of cotton on the Nation-wide market are detrimental to the general welfare of the Nation. Excessive surpluses of such supplies destroy the income of cotton farmers, their purchasing power for industrial products, and the value of the agricultural assets supporting the national credit structure. Violently fluctuating supplies result in excessive prices to consumers and loss of markets by farmers.

In the absence of effective legislation, surpluses of cotton will accumulate and violent fluctuation of supplies will occur.

The general welfare requires that such recurring surpluses and fluctuations be minimized; that supplies of cotton adequate to meet domestic consumption and export requirements in years of drought, flood, and other adverse conditions, as well as in years of plenty, be maintained; and that the soil resources of the Nation be not wasted in the production of excessive supplies.

The conditions affecting the production and marketing of cotton are such that, without the exercise of Federal powers, farmers, individually or in cooperation, cannot effectively prevent the recurrence of such surpluses and fluctuations, maintain their incomes in a fair balance with the incomes of individuals other than farmers, maintain normal carry-overs of cotton, or provide for the orderly marketing thereof.

The marketing of abnormally excessive supplies of cotton materially affects the volume thereof in interstate and foreign commerce, disrupts the orderly marketing of cotton therein, reduces the prices for cotton with consequent injury to and destruction of such commerce, causes disparity between prices of such commodity and industrial products in interstate and foreign commerce with consequent diminution of the volume of such commerce in industrial products, and otherwise acutely and directly affects, burdens, and obstructs interstate and foreign commerce. The continuously operative provisions of this part are necessary in order to minimize recurring surpluses and fluctuations in the supplies of cotton; to provide for the maintenance of adequate reserve supplies and further the orderly marketing of cotton; and to maintain a fair balance between the incomes of farmers and the incomes of individuals other than farmers. The provisions of this part for the regulation of marketings by producers of cotton, whenever

abnormally excessive supplies thereof exist, are necessary in order to maintain an orderly flow of cotton in interstate and foreign commerce under such conditions.

DEFINITIONS

SEC. 352. For the purposes of this part—

(a) "Cotton" does not include cotton the staple of which is one and one-half inches or more in length.

(b) "Marketing year" shall be the period from August 1 of one year to July 31 of the succeeding year.

(c) "Total supply" of cotton for any marketing year shall be the carry-over at the beginning of such marketing year plus the estimated production thereof in the United States during the calendar year in which such marketing year begins.

(d) "Carry-over" of cotton for any marketing year shall be the quantity thereof produced in the United States and on hand either within or without the United States at the beginning of such marketing year, not including any of the production thereof in the United States during the calendar year then current.

(e) "Normal year's domestic consumption" of cotton shall be the yearly average quantity of cotton consumed in the United States during the 10 marketing years immediately preceding the marketing year in which such consumption is determined, adjusted for current trends in such consumption.

(f) "Normal year's exports" of cotton shall be the yearly average quantity of cotton produced in the United States and exported therefrom during the 10 marketing years immediately preceding the marketing year in which such exports are determined, adjusted for current trends in such exports.

(g) "Normal supply" of cotton shall be a normal year's domestic consumption and exports, plus 40 percent of a normal year's domestic consumption and exports as an allowance for a normal carry-over.

(h) "National average yield" of cotton shall be the national average yield per acre of cotton during the 5 calendar years immediately preceding the calendar year in which such national average yield is used in any computation authorized in this part, adjusted for abnormal weather conditions and trends in yields.

(i) "Normal yield" of cotton for any farm shall be the average yield per acre thereof during the 5 calendar years immediately preceding the calendar year in which such normal yield is used in any computation authorized under this part, adjusted for abnormal weather conditions and trend in yields. If for any reason there is no actual yield, or the data therefor are not available, for any year, then an appraised yield for such year, determined in accordance with regulations of the Secretary, shall be used. If, on account of drought, flood, insect pests, or other uncontrollable natural cause, the production in any year of such 5-year period is less than 75 per centum of the average (computed without regard to such year), such year shall be eliminated in calculating the normal yield per acre.

(j) "Normal production" of any number of acres of cotton on a farm means the normal yield for the farm times such number of acres.

(k) "Actual production" of any number of acres of cotton on a farm means the actual average yield for the farm times such number of acres.

(l) "Marketed" shall be the disposition by sale, barter, exchange, or gift, or to be so disposed of; and the term "for market" means for disposition in any such manner.

(m) "Tilled acreage" shall be farm land which is tilled annually or in a regular rotation.

ANNOUNCEMENTS OF SUPPLIES AND ALLOTMENTS

SEC. 353. Not later than November 15 in each calendar year the Secretary shall ascertain and announce the total supply and the normal supply of cotton for the marketing year commencing August 1 of such calendar year and shall also ascertain and announce the national acreage allotment for the next succeeding calendar year.

NATIONAL ACREAGE ALLOTMENT

SEC. 354. The national acreage allotment of cotton for any calendar year shall be that acreage which the Secretary determines will, on the basis of the national average yield for cotton, produce an amount thereof adequate, together with the estimated carry-over from the marketing year ending in such calendar year, to make available a supply for the marketing year commencing in such calendar year equal to the normal supply. The national acreage allotment for any year shall not be less than 60 percent of the average acreage planted to cotton during the 10-year period ended December 31, 1932.

APPORTIONMENT OF NATIONAL ACREAGE ALLOTMENT

SEC. 355. (a) The national acreage allotment for cotton for each year shall be apportioned by the Secretary among the several States on the basis of the acreage devoted to the production of cotton during the 5 calendar years immediately preceding the calendar year in which the national acreage allotment is determined (plus, in applicable years, the acreage diverted under previous agricultural conservation and adjustment programs) with adjustments for abnormal weather conditions and trends in acreage during the applicable period.

(b) Ninety-five percent of the State acreage allotment shall be apportioned annually by the Secretary to the counties and other administrative areas in the State. The allotment to any county or other local administrative area shall be apportioned annually

by the Secretary, through the local committee, among the farms within such county or area, on which cotton has been planted at least once during the 5 years immediately preceding the year for which the allotment is made, so that the allotment of each farm shall be a prescribed percentage of the average (during such 5-year period) of the tilled acres of the farm, which percentage shall be the same for all farms in the county or area. The allotment to any farm on which cotton has been planted during at least one of such years shall be that proportion of the farm acreage allotment which would otherwise be made which the number of such years bears to five.

(c) Two and one-half percent of the State acreage allotment shall be apportioned to farms in such State which were not used for cotton production during any of the 5 calendar years immediately preceding the year for which the allotment is made, on the basis of land, labor, and equipment available for the production of cotton; crop-rotation practices; and the soil and other physical facilities affecting the production of cotton.

(d) Two and one-half percent of the State acreage allotment (plus any amount of the State acreage allotment not apportioned pursuant to subsection (c)) shall be apportioned in such State to owners, cash tenants, and fixed or standing rent tenants, operating farms to which an allotment of not exceeding 15 acres has been made under the apportionment of the allotment to the county or administrative area. Such additional allotment shall be made upon such basis as the Secretary deems fair and equitable.

(e) In determining allotments under subsections (b), (c), and (d), the Secretary shall also take into consideration the acreage on the farm devoted during such 5-year period to the production of any one or more of the following soil-depleting commodities: Tobacco, wheat, field corn, and rice.

(f) Notwithstanding any other provision of this section, if, for any reason other than flood or drought, the acreage planted to cotton on the farm during any calendar year is less than 80 percent of the farm acreage allotment for cotton for such year, the farm acreage allotment shall be 25 percent in excess of such planted acreage.

MARKETING QUOTAS

SEC. 356. Whenever the Secretary determines that the total supply of cotton, as of August 1 of any year, exceeds by more than 15 percent the normal supply thereof for the marketing year commencing on that date, the Secretary shall announce such fact not later than November 15 of such year, and marketing quotas shall be in effect during the marketing year beginning on August 1 of the next succeeding calendar year with respect to the crop of cotton grown in such calendar year. Cotton produced in the calendar year in which such marketing year begins shall be subject to the quotas in effect for such marketing year, notwithstanding that it may be marketed prior to August 1.

AMOUNT OF FARM MARKETING QUOTAS

SEC. 357. The farm marketing quota for any farm shall be an amount of cotton equal to the normal production or the actual production, whichever is the greater, of the farm acreage allotment for such farm. The penalties provided for in section 360 shall not apply to the production of any producer on whose farm the acreage planted to cotton does not exceed the farm acreage allotment for such farm.

REFERENDUM

SEC. 358. Not later than December 15 of any calendar year in which an announcement of farm marketing quotas pursuant to the provisions of this part has been made the Secretary shall conduct a referendum of all farmers who will be subject to such quotas to determine whether they favor or oppose such quotas. If more than one-third of the farmers voting in the referendum oppose such quotas, the Secretary shall, prior to the end of such calendar year, announce the result of the referendum, and upon such announcement the quotas shall become ineffective.

ADJUSTMENT OF FARM MARKETING QUOTAS

SEC. 359. (a) If, prior to July 1 in any calendar year, the Secretary has reason to believe that the farm marketing quotas announced with respect to the crop to be produced in such calendar year will prevent a supply of cotton equal to the normal supply from being available for marketing during the marketing year commencing in such calendar year, he shall cause an investigation to be made with respect thereto, in the course of which due notice and opportunity for hearing shall be given to interested persons. If, upon the basis of such investigation, the Secretary finds the existence of such fact, he shall announce the same forthwith and shall specify such increase in, or termination of, existing quotas as he finds on the basis of such investigation is necessary to make available for marketing during such marketing year a supply of cotton equal to the normal supply.

(b) If the Secretary has reason to believe that, because of a national emergency or because of a material increase in export demand, any national marketing quota for cotton should be terminated, he shall cause an immediate investigation to be made to determine whether the termination of such quota is necessary in order to effectuate the declared policy of this act or to meet an increased demand arising from such export demand or such emergency. If, upon the basis of such investigation, the Secretary finds that such termination is necessary, he shall immediately announce such finding, and thereupon such quota shall terminate.

PENALTIES

SEC. 360. (a) Any person who markets cotton from a farm in excess of the farm-marketing quota and any person who knowingly acquires cotton so marketed shall be subject to a penalty of 2 cents per pound of the excess so marketed, but not more than one penalty shall be collected with respect to the same cotton.

(b) The penalties provided for in subsection (a) of this section shall be collected and paid in such manner, at such time, and under such conditions (either by requiring returns to be made and filed, or by stamps, coupons, tickets, books, tags, or other reasonable devices or methods necessary or helpful in securing a complete and proper collection and payment of such penalties or in properly identifying marketings which are free from penalties) as the Secretary may by regulations prescribe. The penalties provided for under subsection (a) of this section shall be collected under the direction of the Secretary and shall be covered into the general fund of the Treasury of the United States.

(c) The Secretary is hereby authorized to examine such books, papers, records, accounts, correspondence, contracts, documents, and memoranda, the examination of which he has reason to believe is necessary to enable him to carry out the provisions of this part which are within the control of producers, warehousemen, ginners, common carriers, and persons engaged in the business of purchasing cotton from farmers.

(d) All information reported to or acquired by the Secretary pursuant to this section shall be kept confidential by the Department, except that such information as the Secretary deems relevant may be disclosed in a suit or administrative hearing involving the administration of this part.

PUBLICATION AND REVIEW OF QUOTAS

SEC. 361. The farm marketing quotas for cotton established for farms in a county or other local administrative area shall be made available for public inspection and may be reviewed in the manner provided in part VI of this title.

Mr. JONES. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Committee amendment offered by Mr. JONES: Page 58, line 10, strike out the word "five" and insert the word "ten."
Page 58, line 19, strike out "five-year" and insert "ten-year."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. JONES. Mr. Chairman, I offer the following committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. JONES: Page 58, line 18, before the word "or" insert "plant disease."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. JONES. Mr. Chairman, a further committee amendment.

The Clerk read as follows:

Page 63, line 10, after the word "referendum" insert a comma and the word "by secret ballot."

The amendment was agreed to.

Mr. JONES. Mr. Chairman, a further committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. JONES: Page 63, line 5, after the period, insert: "The penalties provided for in section 360 shall not apply to the production of any producer if the production on his farm does not exceed 1,500 pounds of lint cotton."

Mr. JONES. Mr. Chairman, that is an amendment in which a great many Members are interested, who come from the cotton States. It is in accord with an amendment heretofore presented in the Bankhead Act by Mr. DOXEY. A number of Members have expressed an interest in an exemption, and this amendment is unanimously reported from the committee.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. RANKIN. Would the gentleman agree to an amendment to make that 2,000 pounds? That is only four bales. The trouble we had with the old Bankhead bill in the beginning was that you cut the quota of the small farmer down to where he could not make enough money to pay his taxes. I think the gentleman ought to agree to make this four bales instead of three.

Mr. JONES. When you consider the tenants and sharecroppers, there are 2,300,000 cotton farmers, and when you put this exemption at three bales, I think that is as far as you can go and have any program.

Mr. RANKIN. Suppose you made it four bales, that would still make all these individual farmers—I mean the people who do the actual work—raise less than 10,000,000 bales. If you make this three bales, evidently some of these tenants will raise a great deal more than that, and some of these men who own small farms and who owe debts on those farms and who have interest and taxes to pay cannot do so with three bales of cotton.

Mr. JONES. May I suggest that if you do that and destroy the program, you will find those who grow two or three bales much worse off, because you will have a price collapse if you do not have some sort of program. I think the committee has been quite reasonable in providing 1,500 pounds of lint cotton as an exemption. I hope the gentleman will not press that matter.

Mr. FULMER. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. FULMER. In addition to that, we have set aside 2½ percent of the total State allotment to give additional acreage to any farmer whose acreage does not exceed 15 acres.

Mr. RANKIN. But the trouble is if the Ford amendment should be stricken from the bill when we go back into the House, then you would leave this cotton allotted by counties, and the poor hill counties, where the farmers live who do their own work, would have their county quota cut down and the result would be that these small farmers would have their individual quotas cut down to where they could not raise enough cotton to meet their obligations.

The CHAIRMAN. The time of the gentleman from Texas [Mr. JONES] has expired.

Mr. RANKIN. Mr. Chairman, I rise in opposition. I wish to offer an amendment to strike out "1,500" and insert "2,000." I desire to address myself to that amendment.

The CHAIRMAN. Does the gentleman offer the amendment now?

Mr. RANKIN. Yes.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Mississippi.

The Clerk read as follows:

Amendment offered by Mr. RANKIN to the committee amendment: In the last line, strike out "1,500" and insert in lieu thereof "2,000."

Mr. RANKIN. Mr. Chairman, this amendment I have offered simply means raising the quota of the small farmer from three bales of cotton to four bales. I would much prefer to see it raised to five bales, but I know from the attitude of the House that you would not be willing to go that far.

In offering this amendment, I am not questioning the Committee on Agriculture. I know that committee has done the best it could, but I have seen the effects of the first Bankhead bill, when they cut the acreage of the small farmers in the hill counties to the very minimum.

They are the men who have always diversified. The small farmer has always grown his own corn, or a large part of it. He has tried to raise his own hay, his own sorghum, and his potatoes and other things on which his family had to live. He is the man who ought not be disturbed at all. He is not the man who is overproducing cotton. It is the man on the large plantations, where they do not plant anything but cotton. Under the old Bankhead bill they cut those men, those small white farmers, down to where many of them could not raise enough cotton to pay their taxes. Many of them came to me with tears in their eyes and simply said they could not raise enough cotton to pay the taxes on their land and the interest on their debts. Many of them lost their farms, while the large planters profited at their expense.

Mr. MAHON of Texas. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. MAHON of Texas. I would say the average west Texas cotton producer produces at least 25 bales a year, on

the average. Would not the gentleman's amendment tend to give the allotment all to the small farmers, and there would not be anything left?

Mr. RANKIN. No; it would not. But it would give the small white farmer a chance to live. This Government has asked these small white farmers to diversify, and now you propose to punish them for it. There are other sections of the country where they make 25 bales to the mule or the family, but as a rule they do not make anything else. Those people should not have a right to raise all the cotton, to the exclusion of the small white farmers who do diversify.

I submit that the man who owns his land, who lives on it, is worth more to this country, because of the fact that he does try to own his home and rear his family and pay taxes and maintain the community, than is the Negro tenant or the Mexican tenant, who does not try to own anything and who raises nothing but cotton.

I go further than that. This small white farmer, who raises a few bales of cotton each year, and who raises his own corn, his own hay, his own hogs, chickens, cows, potatoes, peas, and other diversified crops, and who pays his taxes and helps to maintain the community, is worth more to that community than the large absentee landlord who controls thousands of acres of rich land, works it with Negro or Mexican tenants, and raises nothing but cotton. They are the ones who drew these large payments of \$50,000 to \$100,000 a year under the old Bankhead bill while the small white farmer had his production reduced to where he could not survive.

He is the man who was penalized, and he is the man whose battles I am fighting when I ask you to adopt this amendment to permit him to raise at least four bales of cotton and not cut him down to where he cannot live and give it to the man with the large plantation that is never operated except by tenants, where they grow practically no corn, where they grow nothing on which to live, where they never have diversified, and probably never will. If we are going to do justice to the farmers of the country let us protect those little fellows who have been diversifying all the time, doing what this Government has asked them to do. Let us not penalize them by cutting their quotas so low that they cannot make a living.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. CRAWFORD. When the gentleman refers to 2,000 pounds, under the rules and regulations of the Department would that mean 2,000 pounds net or would they shave it down?

Mr. RANKIN. No; that would not be shaved down; that is 2,000 pounds of lint cotton.

Mr. CRAWFORD. Was it not shaved down under the Bankhead Act?

Mr. RANKIN. Yes; but we did not have this provision in the Bankhead Act. We ought to have a provision in this bill giving the small farmer the right to raise at least 2,000 pounds of lint cotton. That is on four bales. I can see no reason why we should not adopt this amendment and protect the little fellow who has been struggling all these years against all kinds of adversity trying to protect himself. I would like to see it increased to five bales, but I fear the House would not go with me. I am having so much trouble with this amendment.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. COOLEY. Mr. Chairman, does not the gentleman think that if we grant an exemption of 2,000 pounds, remembering that there are 2,300,000 farmers in the country, that it will wreck the program?

Mr. RANKIN. No; it will not wreck the program.

They need that much in order to live. We know all of them will not raise that amount, but some have to raise that much. Even if they did, that would only be 9,200,000 bales. Now, do you want to take it away from the little fellow and give it to the big planters with their tenants who never raised anything but cotton?

Mr. COOLEY. We have given them an exemption.

Mr. RANKIN. Yes; he has been given an exemption of three bales by the committee, largely as a result of the persistent efforts of my colleague from Mississippi [Mr. DOXEY], for which I know the small farmers of my State will be grateful.

But I think we ought to go further and give them an exemption of four or five bales apiece if we are going to pass legislation of this kind.

I want to congratulate the committee on the provision in the bill basing the acreage allotted to cotton on the amount of land in cultivation. That will at least insure the small farmer against discrimination as between him and his neighbors.

I wish that a plan could have been worked out to more equitably distribute the allotment as between counties in the same State so the large, black counties could not claim the lion's share over the small, white counties in the hill section.

I hope when we go back into the House for final passage of this measure we can vote out the Boileau amendment, which reads as follows:

And (except for lands which the Secretary determines should not be utilized for the harvesting of crops but should be permanently used for grazing purposes only) shall be further conditioned upon the utilization of the land, with respect to which such payment is made, so that soil-building and soil-conserving crops planted or produced on lands normally used for the production of cotton, wheat, rice, tobacco, or field corn shall be used for the purpose of building and conserving the fertility of the soil, or for the production of agricultural commodities to be consumed on the farm, and not for market. As used in this subsection the term "for market" means for disposition by sale, barter, exchange, or gift, or by feeding (in any form) to poultry or livestock which, or the products of which, are to be sold, bartered, exchanged, or given away; and such terms shall not include consumption on the farm. An agricultural commodity shall be deemed consumed on the farm if consumed by the farmer's family, employees, or household, or by his work stock; or if fed to poultry or livestock on his farm and such poultry or livestock, or the products thereof, are to be consumed by his family, employees, or household.

Everyone knows that amendment is directed at the dairy industry in the South and West. Why should we penalize our farmers for diversifying—doing the very thing they have been urged by the Department of Agriculture to do for the last 40 years? Why try to wreck our small dairy farmers with an amendment of this kind?

I believe I represent more small dairy farmers than any other Member of this House from a Southern State. The farmers of my district are selling more than 1,000,000 pounds of milk a day. The district produces the best milk, the best butter, and the finest cheese to be found in the world. Our cattle are free from tuberculosis, they have no anthrax, Bang's disease, contagious abortion, or other maladies that are transmitted to human beings through the use of milk or milk products. Our soil is sufficiently saturated with iodine to prevent people who eat those dairy products from contracting the horrible disease of goiter, so prevalent in the State of the author of this vicious amendment.

If it is not eliminated from the bill, either here or in the Senate, or in conference, and this measure finally becomes law, there are methods by which our farmers can avoid its unjust penalties. There is usually a legitimate way to avoid the evil effects of a dishonest law or the penalties of an unjust regulation.

The vicious attitude toward the South that is constantly manifested by some Members of this body may be written into law or inserted by amendments of this kind, but they can never be enforced. Our farmers are not slaves. They do not have to sell their birthright for a mess of pottage.

There are ways in which our farmers can escape the penalties of this vicious amendment, and if it remains in the bill I shall take delight in informing the farmers in my district how to do it.

I demand justice, and not injustice, for the farmers I represent. [Applause.]

Mr. JONES. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments to this amendment close in 3 minutes.

Mr. TARVER. Does the gentleman mean his amendment?

Mr. JONES. Yes.

Mr. TARVER. Mr. Chairman, I have an amendment, and should like 5 minutes in which to discuss it.

Mr. JONES. I will let the gentleman present it. Mr. Chairman, I modify my request to make the time 10 minutes.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that all debate on the amendments offered by him and all amendments thereto close in 10 minutes. Is there objection?

Mr. TARVER. Mr. Chairman, I shall not object with the understanding that I may have 5 minutes within which to discuss the amendment I propose to offer. Otherwise I shall be obliged to object.

The CHAIRMAN. The Chair is not in position to give the gentleman any assurance in that respect.

Mr. TARVER. I shall then be obliged to object, Mr. Chairman.

Mr. JONES. I will be glad to have the gentleman take his time right now.

Mr. TARVER. With that assurance I shall not object.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. JONES. Mr. Chairman, I would like just a minute on the pending amendment.

The CHAIRMAN. The gentleman from Texas is recognized for 2 minutes.

Mr. JONES. Mr. Chairman, whatever the House may think about the provisions for marketing quotas, I hope they will not adopt the amendment offered by my good friend from Mississippi.

We cannot, here in Congress, control land titles or the handling of land so far as titles are concerned; the States have that privilege. There are 2,300,000 and some odd individual farmers when you consider the tenants and sharecroppers as part of the farm.

Now, there are some of those who do not grow three bales. Some of them grow only two bales. Some in the marginal areas grow only one bale. You will not help those fellows by raising this exemption to four bales. By adopting this amendment you will bring in a vast number of exemptions that would practically destroy the effect of the quota provisions. Let us have the quota provisions or not have them. If we are to have them, let us have them in something like a workable and real form.

May I say further there were no exemptions at first in the Bankhead bill. There was later inserted an exemption of not to exceed two bales. Here we have an exemption of all producers of every type who produce not to exceed three bales. The average of all producers is only about five and one-half and even this year it will not run much more than six bales. The normal production runs from five and one-half to six bales.

Mr. RANKIN. Will the gentleman yield?

Mr. JONES. I yield for a question. The gentleman had 5 minutes and I only have 2.

Mr. RANKIN. The gentleman talks about wrecking the program. As a matter of fact, my amendment would merely raise his own exemption from 3 to 4 bales.

Mr. JONES. Raising this would bring in a vast number, and it would not do anybody much good. If we are going to have a program, let us have a good program. If you do not want a program, vote it out entirely. That is your privilege.

Mr. Chairman, I hope the Committee will not agree to the amendment offered by the gentleman from Mississippi [Mr. RANKIN].

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. RANKIN] to the committee amendment.

The amendment to the committee amendment was rejected.

Mr. TARVER. Mr. Chairman, I offer an amendment to the committee amendment, which I send to the Clerk's desk. I move to amend the committee amendment offered by the gentleman from Texas by inserting, after the word "producer", the words "whether owner, tenant, or sharecropper."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Georgia [Mr. TARVER].

The Clerk read as follows:

Amendment offered by Mr. TARVER to the committee amendment: After the word "producer", in the second line, insert "whether owner, tenant, or sharecropper."

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that the committee amendment, as amended by the amendment just offered, may be reported without taking it out of the gentleman's time.

The CHAIRMAN. Without objection, the Clerk will report the committee amendment as amended.

There was no objection.

The Clerk read as follows:

The penalties provided for in section 360 shall not apply to the production of any producer, whether owner, tenant, or sharecropper, if the production on his farm does not exceed 1,500 pounds of lint cotton.

Mr. TARVER. Mr. Chairman, the Department of Agriculture by some sort of administrative legerdemain which I have never been able to understand, has construed the word "producer" not to include a sharecropper. The pending amendment as drawn by the chairman of the Committee on Agriculture will insure an exemption of three bales to landowners and to tenants, but not to sharecroppers.

The sharecropper, Mr. Chairman, is the man who works the land. The landlord furnishes the stock and utensils, and the sharecropper receives as his wages one-half of the crop produced, so far as cotton is concerned. Of course, he has to sell that cotton.

The chairman of the Committee on Agriculture, I think without having as thoroughly considered this matter as he might have done, is of the opinion that a sharecropper can sell any amount he desires from land cultivated by him without being subjected to any penalty, but the language of the section does not admit of that construction. It provides that any person who markets cotton from a farm in excess of the farm-marketing quota shall pay the penalty of 2 cents per pound.

Mr. COOLEY. Will the gentleman yield?

Mr. TARVER. I yield to the gentleman from North Carolina.

Mr. COOLEY. Does the gentleman understand that a sharecropper is given an allotment under this measure?

Mr. TARVER. Oh, no.

Mr. COOLEY. If he is not given an allotment, how can he be penalized?

Mr. TARVER. The tenant is not given an allotment, yet you include the tenant in this provision. The allotment is made to the farm. The only effect of your amendment, if it is proposed in good faith is that notwithstanding more than the acreage allotment to the farm may have been planted by the tenant or landowner he may proceed to market three bales of cotton from that farm without paying any penalty. I am saying if you have several tenants and sharecroppers on a farm and more than the acreage allotted to the farm is planted, it would be unfair to allow the tenants and landowner each to market up to 1,500 pounds of lint cotton from that farm and not allow the same privilege to the sharecropper. The amendment as drawn is a patent discrimination against the sharecropper, since the word "producer" is construed by the Department to include tenants but not sharecroppers.

Mr. MAY. Will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Kentucky.

Mr. MAY. Is not a large proportion of the cotton produced in the South produced by sharecroppers and if they are exempted entirely, will that not upset the whole program?

Mr. TARVER. They are not exempted entirely or at all and that is the point I make. When an exemption is granted to the tenant, who likewise receives no allocation of farm

acreage, the exemption, in fairness, ought to extend also to the sharecropper.

Mr. COOLEY. Will the gentleman yield?

Mr. TARVER. I yield to the gentleman from North Carolina.

Mr. COOLEY. Does not the sharecropper obtain his allotment from the landowner in the first instance?

Mr. TARVER. Yes, and the tenant does too. Why do you include the tenant without including the sharecropper? The allotment is made to the farm. The exemption is to the producer, which, according to the Department, does not include a sharecropper.

Mr. COOLEY. The tenant is not included in the section to which the gentleman refers.

Mr. TARVER. He is included in the committee amendment offered by the chairman of the gentleman's committee. I believe the gentleman is a member of the Committee on Agriculture. The language of the amendment, as I recall it, will be construed to mean, where it says "producer", the landlord or tenant. The Department of Agriculture has decided that a tenant is a producer, but a sharecropper is not a producer.

Mr. COOLEY. It means any person who has an allotment in the first instance. The sharecropper in the first instance has no allotment, so he is not subject to any penalty.

Mr. TARVER. Then the amendment offered by the committee does not amount to a flip of your finger. If you mean to exempt only three bales to each farm, you are not exempting anything so far as a large percentage of the farm population of the South is concerned. It would not amount to anything to the tenants and sharecroppers on any farm which will have a total acreage allocation upon which three bales of cotton can be raised, although there may be several tenants or sharecroppers, and the total acreage allotted to the farm might be so small that each tenant or sharecropper could not market even one bale of cotton. You are making a gesture here which means nothing unless it means that each one of those tenants and sharecroppers shall be allowed to market free from penalty at least three bales of cotton without regard to the acreage allotted to the farms on which they are located. If you are trying to have it mean anything else, you are trying to fool him, and you are presenting something here which is not in good faith a matter of relief for the tenant and sharecropper population of the South.

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am entirely in accord with the purpose of the gentleman, but the whole marketing quota provision applies only to the producers who are operating the farms. The restriction is that the penalty provided in this part shall not apply to the production of any producer on whose farm the acreage planted to cotton does not exceed the farm acreage allotment of such farm.

Mr. TARVER. Mr. Chairman, will the gentleman yield?

Mr. JONES. I am sorry, I do not have the time.

Since this provision, the way it is construed in connection with other provisions of the bill, does not subject the sharecropper to any penalty, I fear if the sharecropper is covered by this provision he will be subject to a penalty when he exceeds the fixed amount. I fear such a provision will make the sharecropper subject to penalty.

The gentleman speaks of the tenant. The allotment to the producer is made to everyone who has a part of that farm, and the part of the farm controlled by the tenant is construed as a farm in itself. It is a unit. He is a renter. He has control of that farm. He is subject to the provision because he is a producer, in the sense in which the term is used here. While I believe the gentleman's purpose is proper, I fear his amendment might tend by implication to bring the sharecropper, who would not otherwise be subject to penalty, within the terms of the penalty provision. Further, if he could include the sharecropper, then a man could have all of his family included and get all kinds of exceptions.

Mr. FULMER. If the gentleman will yield, is it not a fact the allotment will be made to the landowner?

Mr. JONES. Yes.

Mr. FULMER. The landowner can allot to his sharecropper any amount of acreage?

Mr. JONES. Of course.

Mr. FULMER. He can grow any amount of cotton, and there will be no strings on him.

Mr. TARVER. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield to the gentleman from Georgia.

Mr. TARVER. According to the gentleman's construction of this amendment, if the landowner had several tenants on his farm and only 10 acres of cotton acreage allotted to him, let us say, he could not accord to such tenants three bales of cotton each, could he?

Mr. JONES. Yes; each one's land is construed as an individual farm.

Mr. TARVER. Then if the tenants are to be so construed, why not include the sharecroppers?

Mr. JONES. The sharecroppers are not subject to the penalty under the terms of the bill.

Mr. TARVER. Suppose there were five or six sharecroppers on a farm where only 10 acres, let us say, are allotted for cotton purposes. Does the gentleman mean the sharecroppers could market any amount of cotton they wanted to from that farm?

Mr. JONES. They could market any part of their cotton.

Mr. TARVER. But none in excess of that produced on the cotton acreage allotted to the farm. Does the gentleman mean to say they could go into the market and sell all the cotton they, the sharecroppers, produced?

Mr. JONES. No.

Mr. TARVER. Of course not.

Mr. JONES. They could market their part, but the landlord could not sell his part.

Mr. TARVER. They could not sell any part not produced on the farm acreage allotment.

Mr. JONES. Of course, they could not do so on an allotment. That is the allotment basis. The allotment is not made to the sharecropper, so he is not subject to the penalty.

Mr. TARVER. This amendment is supposed to allow them to exceed the allotment. If it does not do this, it is of no effect.

Mr. JONES. They do not have that allotment.

Mr. WHITTINGTON. Would the exemption cover the case of a tenant who pays a part of the proceeds of the crop for his rent, just as the sharecropper does?

Mr. JONES. He would be a tenant, then.

Mr. WHITTINGTON. Undoubtedly he is a tenant.

Mr. JONES. However, he would get his allotment. The allotment is made to him. Therefore, he would be subject to the penalty.

Mr. WHITTINGTON. May I remind the gentleman that under the Soil Conservation Act the allotment is made to the owner as the producer and not to the tenant who pays a part of the proceeds of the crop as rent. He is in the same position as the sharecropper, about whom the gentleman is talking.

Mr. JONES. The allotment is made to the farm.

Mr. WHITTINGTON. Of course, it is.

Mr. JONES. We changed that all the way through here. It is made to the farm.

[Here the gavel fell.]

The CHAIRMAN (Mr. COOPER). The question is on the amendment offered by the gentleman from Georgia [Mr. TARVER] to the committee amendment.

The question was taken; and on a division (demanded by Mr. TARVER) there were—ayes 14; noes 63.

So the amendment to the committee amendment was rejected.

The CHAIRMAN. The question now recurs on the committee amendment.

The committee amendment was agreed to.

Mr. JONES. Mr. Chairman, I ask unanimous consent to proceed for 1 minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. JONES. Mr. Chairman, I have embodied in one amendment all of the amendments which were adopted in the provisions of Title I except the Ford amendment. I thought I would save time by offering them all together. I have made the following change in place of the Ford amendment. Instead of a local administrative area being permitted to be established by the Secretary of Agriculture, which could include more than one county, I have made one change, and this is the only change from the other amendment. I propose to make the apportionment to the counties and subdivisions of counties. "95 percent of the State acreage allotment shall be apportioned annually by the Secretary to the counties and minor civil subdivisions thereof." This would include townships or any other subdivision of a county, but would not enable them to include an area larger than the county. I believe this would accomplish all of the purposes of the Ford amendment without any of its handicaps. The trouble with the Ford amendment is that it would upset the machinery a good deal and give certain counties an advantage.

Mr. RANKIN. That language was used in the bill before the Ford amendment was adopted, was it not?

Mr. JONES. No; we had "local administrative area," which might include several counties. This was one of the objections which the gentleman from Mississippi [Mr. FORD] made.

I am perfectly willing for the committee to take action, but I thought I would save time by including all these matters in one amendment. If the gentleman wants to offer his amendment as an amendment to the amendment—

Mr. RANKIN. Let me say to the gentleman from Texas that I realize the Ford amendment—

Mr. JONES. This does not affect the Ford amendment in the general provisions.

Mr. RANKIN. But the committee ought to go further than they have gone. They ought to make some concession to protect the hill farmers of these States against having all the quota or an overwhelming majority of it go to the larger plantations. We need some protection and I don't think we are getting it under this bill.

Mr. JONES. I think that is exactly what we are doing. We put allotments on a tilled-acreage basis and all the way through the provision we allow the inclusion in the allotment of the acreages taken out under previous adjustments.

Mr. RANKIN. But you give us no credit for those counties that have diversified all along.

Mr. JONES. Oh, yes; that provision is in here.

Mr. RANKIN. Let us hear it read.

Mr. JONES. On the tilled-acreage proposition, "in determination allotments to farms under subsections (b), (c), and (d), the Secretary shall," and so forth.

We have that in the other provision also,

The Secretary shall also take into consideration the acreage diverted under previous agricultural-adjustment and conservation programs and the acreage on the farm during such 5-year period to the production of any one or more of the following soil-depleting commodities.

If you want to go back to the provision on allotment to the counties—

Mr. RANKIN. There is where the trouble comes in, I will say to the gentleman.

Mr. JONES. The language with respect to that is—

The apportionment to the counties or civil subdivisions shall be made on the basis of the acreage devoted to the production of cotton during the 5 calendar years immediately preceding the calendar year in which the State allotment is apportioned (plus, in applicable years, the acreage diverted under previous agricultural-adjustment and conservation programs), with adjustments for abnormal weather conditions and trends in acreage during such 5-year periods.

Mr. RANKIN. Certainly; you simply penalize us for having diversified.

Mr. JONES. No; we give you additional acreage.

Mr. RANKIN. The counties are penalized for having so diversified.

Mr. JONES. Mr. Chairman, I desire to offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES: Page 60, strike out, beginning with line 16, down through line 3, on page 62, and insert the following:

"(b) Ninety-five percent of the State acreage allotment shall be apportioned annually by the Secretary to the counties and minor civil subdivisions thereof in the States. The apportionment to the counties or civil subdivisions shall be made on the basis of the acreage devoted to the production of cotton during the 5 calendar years immediately preceding the calendar year in which the State allotment is apportioned (plus, in applicable years, the acreage diverted under previous agricultural adjustment and conservation programs), with adjustments for abnormal weather conditions and trends in acreage during such 5-year period. The allotment to any county or minor civil subdivision shall be apportioned annually by the Secretary, through the local committee, among the farms within the county or subdivision on which cotton has been planted at least once during the 5 years immediately preceding the year for which the allotment is made, so that the allotment of each farm shall be a prescribed percentage of the average (during such 5-year period) of the tilled acres of the farm, which percentage shall be the same for all farms in the county or subdivision. The allotment to any farm on which cotton has been planted during not more than 2 of such years shall be one-half of that which would otherwise be made. The allotment to any farm on which cotton has been planted during 3 of such years shall be three-quarters, and if planted during 4 of such years shall be four-fifths of the farm allotment which would otherwise be made.

"(c) Two and one-half percent of the State acreage allotment shall be apportioned to farms in such State which were not used for cotton production during any of the 5 calendar years immediately preceding the year for which the allotment is made, on the basis of land, labor, and equipment available for the production of cotton, crop-rotation practices, and the soil and other physical facilities affecting the production of cotton.

"(d) Two and one-half percent of the State acreage allotment (plus any amount of the State acreage allotment not apportioned pursuant to subsection (c)) shall be apportioned in such State to farms operated by owners, tenants, or sharecroppers to which an allotment of not exceeding 15 acres has been made under the apportionment of the allotment to the county or subdivision. Such additional allotment shall be made upon such basis as the Secretary deems fair and equitable.

"(e) In determining allotments to farms under subsections (b), (c), and (d) the Secretary shall also take into consideration the acreage diverted under previous agricultural adjustment and conservation programs and the acreage on the farm devoted during such 5-year period to the production of any one or more of the following soil-depleting commodities: Tobacco, wheat, field corn, and rice. In determining allotments under this section to farms on which during such 5-year period the cash income from cash crops other than cotton was greater than the cash income from cotton and cottonseed, the allotment that would otherwise be made shall be appropriately reduced according to ratios fixed by the Secretary representing the current relative values per acre or per unit of cotton and such other commodities. In making such adjustment due consideration shall be given to current trends in the uses to which the farm is devoted. Notwithstanding any other provision of this section, the acreage allotment apportioned to any farm under this section shall not exceed 60 percent of the tilled acres thereon."

Mr. RANKIN. Mr. Chairman, I wonder if the gentleman from Texas would not agree to have these amendments printed in the RECORD and carried over until tomorrow so we may have time to look them over?

Mr. JONES. I may say to the gentleman that I have no particular objection to that, except these amendments are amendments we have already adopted, except the one amendment.

Mr. RANKIN. I understand that, but there are some very serious questions in reference to the one amendment.

Mr. JONES. I do not object to this amendment remaining pending until tomorrow, and I want to make the suggestion in this connection that my friend, the gentleman from Texas [Mr. KLEBERG], wants to offer a motion to strike out.

Mr. RANKIN. The gentleman could do that tomorrow.

Mr. JONES. And I want that motion to go until tomorrow, and so does the gentleman from Texas, and let us have any other perfecting amendments presented at that time and have just this particular amendment and a motion to strike out go over until tomorrow.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that further reading of amendments be dispensed with and printed in the RECORD. Is there objection?

There was no objection.

Mr. FORD of Mississippi. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FORD of Mississippi. I understood the Chair to propound a unanimous-consent request.

The CHAIRMAN. The Chair did, and there was no objection.

Mr. FORD of Mississippi. I was on my feet reserving the right to object.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. FORD of Mississippi. Reserving the right to object, I desire to offer a substitute or perfecting amendment, or an amendment to the amendment of the gentleman from Texas [Mr. JONES].

Mr. JONES. The gentleman would be permitted to offer that tomorrow.

Mr. FORD of Mississippi. I ask that it be printed in the RECORD.

The CHAIRMAN. Has the gentleman offered it yet?

Mr. FORD of Mississippi. I shall offer it when I am permitted to do so.

The CHAIRMAN. The gentleman may offer it.

Mr. FORD of Mississippi. I ask unanimous consent that it be printed in the RECORD.

The CHAIRMAN. Is there objection?

Mr. TAYLOR of South Carolina. Mr. Chairman, reserving the right to object, does that unanimous consent preclude all amendments except those enumerated by the Chairman?

Mr. JONES. No; we are going ahead with any other amendment. I wanted this to go over.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. WHITTINGTON. Mr. Chairman, I reserve the right to object, but will that preclude the presentation of any other perfecting amendment?

Mr. JONES. No; I have just stated that any other amendment may be offered. This only provides that this amendment go over until tomorrow, and that the motion to strike out go over until tomorrow and that any other amendment be offered now.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The gentleman from Mississippi offers an amendment and asks unanimous consent that its reading be dispensed with and that it be printed in the RECORD. Is there objection?

There was no objection.

The amendment referred to is as follows:

Amendment offered by Mr. FORD of Mississippi: Beginning with line 14, page 60, strike out all down to the period in line 1 of page 61, and insert in lieu thereof the following:

"(b) Ninety-five percent of the State acreage allotment shall be apportioned annually by the Secretary among the farms within the State on which cotton has been planted at least once during the 5 years immediately preceding the year for which the allotment is made, so that the allotment of each farm shall be a prescribed percentage of the average (during such 5-year period) of the tilled acres of the farm, which percentage shall be the same for all farms in the State."

Mr. WHITTINGTON. Mr. Chairman, I make the same request, and I offer the amendment with the same request.

The CHAIRMAN. Of course, the gentleman understands there cannot be three amendments pending at the same time. Is the gentleman merely asking unanimous consent to have his amendment printed in the RECORD?

Mr. WHITTINGTON. That is all that I am asking.

The CHAIRMAN. Without objection, it is so ordered.

The amendment referred to is as follows:

Whittington amendment: Page 59, line 8, strike out the period, insert a comma, and add: "excluding such acreage devoted to crops produced for market other than cotton."

Mr. KLEBERG. Mr. Chairman, I prefer the same unanimous-consent request that my amendment to strike out section 4 be printed in the same way.

The CHAIRMAN. The gentleman from Texas [Mr. KLEBERG] asks unanimous consent that the amendment that he is about to offer be printed in the RECORD. Is there objection?

There was no objection.

The amendment referred to is as follows:

Amendment offered by Mr. KLEBERG: Page 55, strike out part 4.

Mr. MASSINGALE. Mr. Chairman, I ask unanimous consent that an amendment which I proposed should be treated likewise.

The CHAIRMAN. The gentleman from Oklahoma presents a similar request. Is there objection?

Mr. JONES. Mr. Chairman, I reserve the right to object. After talking with my friend from Oklahoma, I think I have in the amendment the provision that he makes inquiry about, and I wish he would look over it with that in mind.

The CHAIRMAN. Is there objection?

There was no objection.

The amendment referred to is as follows:

Amendment offered by Mr. MASSINGALE: Page 60, line 23, after line 22, strike out all of line 23 and all of line 24 down to and including the word "percentage" and insert the following:

"On the basis of the acreage devoted to the production of cotton during the 5 calendar years immediately preceding the calendar year in which the national acreage allotment is determined (plus, in applicable years, the acreage diverted under previous agricultural conservation and adjustment program) with adjustments for abnormal weather conditions and trends in acreage during the applicable period, which basis".

Mr. PACE. Mr. Chairman, I make a similar request to that of the gentleman from Texas, Mr. Kleberg.

The CHAIRMAN. Is there objection?

There was no objection.

The amendment referred to is as follows:

Amendment offered by Mr. PACE: Strike out the following portion of paragraph (e) of the committee amendment:

"In determining allotments under this section to farms on which during such 5-year periods the cash income from cash crops other than cotton was greater than the cash income from cotton and cottonseed, the allotment that would otherwise be made shall be appropriately reduced according to ratios fixed by the Secretary representing the current relative values per acre or per unit of cotton and such other commodities. In making such adjustment due consideration shall be given to current trends in the uses to which the farm is devoted."

Mr. HOBBS. Mr. Chairman, I make the same request with reference to four amendments which have been on the Clerk's desk all day.

The CHAIRMAN. Is there objection?

Mr. JONES. Mr. Chairman, I reserve the right to object. Are they amendments to the Ford amendment?

Mr. HOBBS. No; they have nothing to do with that.

Mr. JONES. If the gentleman has them ready, can we not get rid of them now? Has the gentleman got them ready so that he can offer them now?

Mr. HOBBS. Yes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. JONES. Mr. Chairman, I object. The gentleman from Alabama will withdraw his request.

Mr. HOBBS. I withdraw my request, Mr. Chairman.

Mr. GEARHART. Mr. Chairman, I make a similar request to include in the RECORD amendments I shall propose, to be offered tomorrow.

Mr. JONES. Are they amendments to the Ford amendment?

Mr. GEARHART. No.

Mr. JONES. I would rather have them offered today. For the present, I object to further offering of amendments until we dispose of what we can now.

Mr. FISH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FISH. Whether Members will lose any of their rights to offer amendments if they do not ask the right to have them incorporated in the RECORD at this time?

The CHAIRMAN. They will not.

Mr. RANKIN. Mr. Chairman, I renew my request.

The CHAIRMAN. Will the gentleman again state his request?

Mr. RANKIN. My request was that the amendments be printed in the RECORD and that they be carried over until tomorrow.

Mr. JONES. I shall not object to the printing of any amendments that we do not dispose of this afternoon, but I do hope that all amendments that Members want to make to this cotton section may be made this afternoon and disposed of this afternoon, except the two to which I have referred.

Mr. RANKIN. Except the amendment you offered?

Mr. JONES. And the Ford amendment or any amendment to that amendment.

Mr. RANKIN. What about the Kleberg amendment?

Mr. JONES. And that one also. I included that. They both go together.

Mr. RANKIN. I confine my request, then, to those amendments.

Mr. JONES. I have no objection to any amendment to the pending amendment which I offered, or to the Ford amendment, which will be offered as an amendment to that amendment.

The CHAIRMAN. The Chair will state to the gentleman from Texas that permission has already been given to several Members to incorporate in the RECORD amendments that they propose to offer, which the Chair understands do not apply to the Ford amendment.

Mr. JONES. Members were talking to me, and I overlooked that. I would like to go ahead and dispose of them this afternoon as far as we can.

Mr. TAYLOR of South Carolina. Mr. Chairman, reserving the right to object, I would like to ask if that request is not inconsistent with the answer which the present incumbent of the chair made in response to the inquiry by the gentleman from New York [Mr. Fish].

Mr. RANKIN. No. It does not shut off anybody.

Mr. JONES. Are there any amendments pending?

The CHAIRMAN. There are. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The CHAIRMAN. The gentleman from Alabama [Mr. HOBBS] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HOBBS: Page 59, line 15, at the end of section 353, change the period to a colon and add: "Provided, however, That in 1937 the Secretary shall perform the duties required of him by this section during the month of December."

Mr. HOBBS. Mr. Chairman, the plight of the cotton farmer today is due, in large measure, to the fact that we produced an eighteen and a half million bale crop in 1937, which, added to the carry-over, has given us a disastrous reduction in the price of that staple, until in spite of the 9-cent pegging loan, the price has dropped to 7½ cents, through the floor which that loan was supposed to provide. Why, in the face of that statement of fact, which is uncontroversially true, anyone could contend that the control provisions of this bill should not apply to the 1938 cotton crop is beyond my comprehension. Yet this bill does exactly that; as much so as though it had been expressed in haec verba.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. Of course, I am delighted to yield to the distinguished chairman of the Committee on Agriculture.

Mr. JONES. There are a number of amendments pending.

It does not look as though it will be possible to dispose of them this afternoon. If it is satisfactory to the gentleman, I would like to move that the Committee now rise, and give the gentleman his full 5 minutes tomorrow morning.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. JONES. Yes.

Mr. WHITTINGTON. That will not preclude the offering of additional amendments tomorrow?

Mr. JONES. Oh, no, no.

Mr. HOBBS. I will be happy to grant the distinguished chairman's request, and I will now renew my request, that the four amendments which I propose to offer be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The amendments are as follows:

Amendment offered by Mr. HOBBS: On page 63, line 16, at the end of section 358, change the period to a semicolon and add: "Provided, however, That marketing quotas for cotton for the year 1938 shall be announced by the Secretary within 10 days after this act shall have become a law, and within 30 days thereafter the Secretary shall conduct a referendum of all farmers who may be subject to such quotas, to determine whether they favor or oppose such quotas. If more than one-third of the farmers voting in the referendum oppose such quotas, the Secretary shall, within 30 days after the referendum, announce the result of the referendum, and upon such announcement, the quotas shall become ineffective."

Amendment offered by Mr. HOBBS: On page 62, line 13, strike out the words and figures "by more than 15 percent."

Amendment offered by Mr. HOBBS: On page 64, line 23, strike out "2 cents per pound" and substitute in lieu thereof "75 percent of the purchase price."

Mr. JONES. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WARREN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 8505, had come to no resolution thereon.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 525. Joint resolution to make the existing appropriations for mileage of Senators and Representatives immediately available for payment.

EXTENSION OF REMARKS

Mr. HANCOCK of North Carolina. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD by including a letter which I wrote to a constituent in my district on the wage and hour bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter from the Governor of the State of Vermont.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. RANKIN and Mrs. JENCKES of Indiana, by unanimous consent, were granted permission to revise and extend their own remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that, following the orders already agreed upon, on Thursday, my colleague from Massachusetts [Mrs. Rogers] may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

THE FARM BILL

Mr. KELLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an amendment that I had not completed at the time permission was granted to others to print amendments in the RECORD. I have now sent the amendment to the desk.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The amendment referred to follows:

Amendment offered by Mr. KELLER: Page 60, line 13, after the word "period", insert: "Provided further, That no State shall receive an allotment for any crop year beginning with the crop year 1938 of less than 5,000 bales of cotton, if during any 1 of the 10 crop years prior to the date of the enactment of this act the production of such State exceeded 5,000 bales."

PERMISSION TO ADDRESS THE HOUSE

Mr. ALLEN of Delaware. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Delaware?

There was no objection.

THE LATE HON. WILBUR L. ADAMS, FORMER MEMBER OF CONGRESS FROM DELAWARE

Mr. ALLEN of Delaware. Mr. Speaker, it becomes my solemn duty at this time to announce to the House the death of the Honorable Wilbur L. Adams, of Delaware. He died Saturday, December 4, and will be buried tomorrow, Tuesday, December 7.

Mr. Adams was a Member of this body during the Seventy-third Congress. He was a loyal Democrat, a staunch supporter of the Roosevelt New Deal. In the passing of Mr. Adams I have lost a true friend and my State has lost an upright and honored citizen.

Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD at a later date concerning the life and character of the late Mr. Adams.

The SPEAKER. Is there objection to the request of the gentleman from Delaware?

There was no objection.

ENROLLED JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 525. Joint resolution to make the existing appropriations for mileage of Senators and Representatives immediately available for payment.

ADJOURNMENT

Mr. JONES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 2 minutes p. m.) the House adjourned until tomorrow, Tuesday, December 7, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Merchant Marine and Fisheries Committee will hold a public hearing on H. R. 8532, to amend the Merchant Marine Act, 1936, to further promote the merchant marine policy therein declared, and for other purposes, in room 219, House Office Building, on Wednesday, December 8, 1937, at 10 a. m.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of Mr. CROSSER's subcommittee of the Committee on Interstate and Foreign Commerce, at 10 a. m., Thursday, December 16, 1937. Business to be considered: Hearing on House Joint Resolution 389, distribution and sale of motor vehicles.

There will be a meeting of Mr. MARTIN's subcommittee of the Committee on Interstate and Foreign Commerce, at 10 a. m., Tuesday, January 4, 1938. Business to be considered: Hearing on sales tax bills, H. R. 4722 and H. R. 4214.

There will be a meeting of the Committee on Interstate and Foreign Commerce, at 10 a. m., Tuesday, January 11, 1938. Business to be considered: Hearing on S. 69, train-lengths bill.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

878. A letter from the Acting Secretary of Navy, transmitting the draft of a proposed amendment to the bill

(H. R. 6703) to amend section 2 of the act entitled "An act to give wartime rank to retired officers and former officers of the Army, Navy, Marine Corps, and/or Coast Guard of the United States," approved June 21, 1930, so as to prohibit persons who have been subsequently separated from the service under other than honorable conditions from bearing the official title and upon occasions of ceremony wearing the uniform of the highest grade held by them during their war service and for other purposes; to the Committee on Military Affairs.

879. A letter from the Secretary of War, transmitting the draft of a proposed bill for the relief of the estate of Raquel Franco, late of Panama City, Republic of Panama; to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII.

Mr. McREYNOLDS: Committee on Foreign Affairs. H. R. 8432. A bill to provide for a flowage easement on certain ceded Chippewa Indian lands bordering Lake of the Woods, Warroad River, and Rainy River, Minn., and for other purposes; without amendment (Rept. No. 1653). Referred to the Committee of the Whole House on the state of the Union.

Mr. EDMISTON: Committee on Military Affairs. H. R. 8176. A bill providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes; with amendment (Rept. No. 1654). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII.

Mr. McREYNOLDS: Committee on Foreign Affairs. H. R. 8021. A bill for the relief of Mrs. George Orr; without amendment (Rept. No. 1652). Referred to the Committee of the Whole House.

ADVERSE REPORTS

Under clause 2 of rule XIII.

Mr. McREYNOLDS: Committee on Foreign Affairs. House Resolution 364. Resolution requesting certain information from the President of the United States (Rept. No. 1651). Laid on the table.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 7484) for the relief of Berthel Christopher; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 7927) for the relief of Bertha Thompson Williams; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 4586) for the relief of Clark Wiley; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 7293) for the relief of the estate of John B. Brack; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 8181) for the relief of James F. Johnston; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 8546) granting a pension to William W. Humes; Committee on Claims discharged, and referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GREEN: A bill (H. R. 8621) making appropriations for extending the market news service of the Department of Agriculture in the States of Florida, Georgia, and Alabama; to the Committee on Appropriations.

By Mr. BARRY: A bill (H. R. 8622) to abolish personal and deficiency judgments that have been taken by the Home Owners' Loan Corporation in foreclosures and to forbid the taking of said judgments in the future; to the Committee on Banking and Currency.

By Mr. BUCKLER of Minnesota: A bill (H. R. 8623) authorizing the State Highway Departments of North Dakota and Minnesota and the Boards of County Commissioners of Traill County, N. Dak., and Polk County, Minn., to construct, maintain, and operate a free highway bridge across the Red River of the North westerly of Neilsville, Minn.; to the Committee on Interstate and Foreign Commerce.

By Mr. MOTT: A bill (H. R. 8624) authorizing the Secretary of War to grant to the Coos County court of Coquille, Oreg., and the State of Oregon an easement with respect to certain lands for highway purposes; to the Committee on Military Affairs.

By Mr. MURDOCK of Utah: A bill (H. R. 8625) to grant the right to cut timber in national forests for the construction of a railroad from Craig, Colo., or from Springville, Utah, to Ouray, Utah, or to a point on Green River near Ouray, Utah, or from Craig, Colo., to Springville, Utah; to the Committee on the Public Lands.

By Mr. VOORHIS: A bill (H. R. 8626) to amend the Social Security Act, approved August 14, 1935; to the Committee on Ways and Means.

By Mr. WELCH: A bill (H. R. 8627) to fix the definition and application of certain terms used in the navigation and steamboat inspection laws with reference to the fishing industries and the vessels employed therein, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. McGEHEE: A bill (H. R. 8628) to provide for the addition of certain lands to the Vicksburg National Military Park, in the State of Mississippi, and for other purposes; to the Committee on the Public Lands.

By Mr. TREADWAY: A bill (H. R. 8629) to repeal the undistributed profits tax, as of the taxable year 1937, to impose in lieu thereof a one-point increase in the normal tax upon corporations, and to restore the flat rate of 12½ percent tax upon capital gains; to the Committee on Ways and Means.

By Mr. JENKINS of Ohio: Resolution (H. Res. 373) authorizing an investigation of the National Bituminous Coal Commission; to the Committee on Ways and Means.

By Mr. McCORMACK: Joint resolution (H. J. Res. 526) to authorize the acceptance of title to the dwelling house and property, the former residence of the late Justice Oliver Wendell Holmes, located at 1720 Eye Street NW., in the District of Columbia, and for other purposes; to the Committee on the Library.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY: A bill (H. R. 8630) for the relief of Nikola Miskov; to the Committee on Immigration and Naturalization.

By Mr. CELLER: A bill (H. R. 8631) for the relief of Vincenzo Ferrero; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 8632) for the relief of Anton Goepel; to the Committee on Immigration and Naturalization.

By Mr. PETERSON of Georgia (by request): A bill (H. R. 8633) for the relief of the Georgia Marble Co.; to the Committee on Claims.

By Mr. SANDERS: A bill (H. R. 8634) for the relief of Jose Munden; to the Committee on Pensions.

By Mr. SIROVICH: A bill (H. R. 8635) for the relief of Antonino Gioia; to the Committee on Immigration and Naturalization.

By Mr. VINSON of Georgia: A bill (H. R. 8636) for the relief of W. F. Towson; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3497. By Mr. CITRON: Petition of the Inter-Veteran Association, of New Haven County, New Haven, Conn., protesting against the activities of the German-American Bund as un-American and contrary to good citizenship; to the Committee on Immigration and Naturalization.

3498. Also, petition of the United Aircraft Post, No. 2096, Veterans of Foreign Wars, of East Hartford, Conn., requesting a congressional investigation of the German-American Bund, and that the citizenship of its members who are naturalized be revoked, and that its alien members be deported, for its un-American activities and the setting up of concentration and other camps inimical to the United States; to the Committee on Immigration and Naturalization.

3499. Also, petition of the Veterans of Jewish Faith. Department of Connecticut, protesting against the setting up of Nazi camps and the propagation of Nazi doctrines at these camps of the German-American Bund, and objecting to military drilling and preaching of disloyalty to America at these semimilitary camps; to the Committee on Immigration and Naturalization.

3500. Also, petition of the citizens of Southbury, Conn., in mass meeting assembled, asking Congress to investigate the creation of semimilitary Nazi camp, where youth of German extraction are taught Nazi doctrines and given military drill and inculcated with un-American activities, said camp being located at Southbury, Conn.; to the Committee on Immigration and Naturalization.

3501. By Mr. COFFEE of Washington: Telegrams in the nature of petitions of Tolt, Orillia, Enumclaw, Issaquah, and Auburn branches of the Seattle Milk Producers' Association, urging support of the Boileau amendment to the pending bill for the relief of agriculture; also the support of the Andresen amendment placing foreign dairy producers on the same basis as American dairy producers with respect to tuberculosis-free herds; and opposing the so-called wage and hour bill on the contention that such bill would increase the cost to the consumer and farm producer of the goods he buys; to the Committee on Agriculture.

3502. Also, petition of members of the Brotherhood of Locomotive Firemen and Enginemen, Northern Pacific Railway, praying for the enactment of Federal legislation fixing 40 as the maximum hours per week during which any railroad employee should be given employment, and pointing out that under the system now in vogue regular men may work the equivalent of 36 days a month freight service, 44 days passenger, 30 days yard service, and calling attention to the great hardship this works upon the men lower in the seniority list, and that it does not coincide with the President's injunction that private industry should take up the slack in employment; to the Committee on Interstate and Foreign Commerce.

3503. Also, petition of the United Mine Workers of America, District No. 10, praying for immediate investigation of activities of hired "goon squads" and exposure of the alleged racket in the coal industry in the State of Washington; to the Committee on Labor.

3504. By Mr. COLDEN: Resolution adopted by Local 64 of the National Federation Post Office Clerks, Los Angeles, Calif., favoring a straight 30-year compulsory retirement for all postal employees and opposing any and all bills in Congress to raise the age limit or extend the years of service of such employees; to the Committee on the Post Office and Post Roads.

3505. By Mr. CURLEY: Petition of Local 35, United Federal Workers of America, of Billings, Mont., endorsing House bill 8431, establishing a 5-day week; to the Committee on the Civil Service.

3506. Also, petition of the Army Base Local 43, United Federal Workers of America, endorsing House bill 8431 establishing a 5-day week in the Federal service and House bill 8428 to provide for a hearing and disposition of employee appeals from discriminatory treatment by supervisors in the Federal service; to the Committee on the Civil Service.

3507. By Mr. DONDERO: Petition of 100 citizens and bakers of the city of Detroit, Mich., protesting against the enactment of the crop-control program, containing so-called processing taxes, etc.; to the Committee on Agriculture.

3508. By Mr. LUTHER A. JOHNSON: Petition of Hon. Lewis M. Seay, county judge, and R. L. Nance, mayor of Thornton, Tex.; Jim Poindexter, mayor of Kosse, Tex.; Joe Clonts, commissioner; John Mackey, commissioner; Ike Kennedy, commissioner; Frank Burke, commissioner; Moffet and Leach, Big Hill, all of Limestone County, Tex., favoring continuing liberal appropriation for national and rural roads; to the Committee on Roads.

3509. Also, petition of Mrs. H. D. Beaumont, president, and Mrs. C. B. Thames, secretary, Hearne Shakespeare Club, Hearne, Tex., opposing reduction of Federal appropriations for highways; to the Committee on Roads.

3510. By Mr. KENNEY: Petition of Local No. 73, United Shoe Workers of America, calling for the passage of the minimum wage and maximum hours bill; to the Committee on Labor.

3511. By Mr. KRAMER: Petition of the Searchers Club, Jewish Community Center, Los Angeles, pertaining to segregation and discrimination practiced against Negro people; to the Committee on the Judiciary.

3512. By Mr. KEOGH: Petition of Samuel Knighton & Sons, Inc., New York City, concerning a processing tax on wheat; to the Committee on Agriculture.

3513. Also, petition of the Chamber of Commerce of the State of New York, concerning fix-freight rate making; to the Committee on Interstate and Foreign Commerce.

3514. Also, petition of the Chamber of Commerce of the State of New York, concerning specific recommendations on tax legislation to help business; to the Committee on Ways and Means.

3515. Also, petition of the Chamber of Commerce of the State of New York, concerning change in status of Army engineers; to the Committee on Military Affairs.

3516. Also, petition of the American Institute of Architects, Washington, D. C., concerning distribution of profits tax; to the Committee on Ways and Means.

3517. By Mr. MEAD: Petition of the Filomat Society of Buffalo, N. Y., expressing opposition to the crop-control proposal now pending in Congress; to the Committee on Agriculture.

3518. By Mr. O'NEILL of New Jersey: Petition of the New Jersey Chapter, American Institute of Architects, and New Jersey Society of Architects, on the proposed amendments to the National Housing Act; to the Committee on Banking and Currency.

3519. By Mr. PFEIFER: Petition of the American Institute of Architects, Washington, D. C., concerning the undistributed-profits tax; to the Committee on Ways and Means.

3520. Also, petition of the Chamber of Commerce of the State of New York, New York City, concerning legislation by Congress to fix freight rate making; to the Committee on Interstate and Foreign Commerce.

3521. Also, petition of the Chamber of Commerce of the State of New York, New York City, concerning tax legislation to help business; to the Committee on Ways and Means.

3522. Also, petition of the Chamber of Commerce of the State of New York, New York City, concerning change in status of Army engineers; to the Committee on Military Affairs.

3523. Also, petition of the Artists Union of America, New York City, concerning the Coffee bill (H. R. 8239) to estab-

lish a Department of Fine Arts; to the Committee on the Library.

3524. By Mr. QUINN: Petition of the Westinghouse Local, No. 601, United Electrical and Radio Workers of America, endorsing legislation program of the Committee for Industrial Organization; to the Committee on Labor.

3525. By Mr. RICH: Petition of the McKean County (Pa.) Pomona Grange opposing the Black-Connery labor bill; to the Committee on Labor.

3526. Also, petition of the Lycoming County (Pa.) Pomona Grange, No. 28, opposing the Black-Connery labor bill; to the Committee on Labor.

3527. Also, petition of the Pomona Grange, No. 30, of Tioga County, Pa., protesting against the passage of the Black-Connery labor bill or any similar substitute; to the Committee on Labor.

3528. By Mr. SHANLEY: Petition of the Inter-Veteran Association on the German-American Bund in America; to the Committee on the Judiciary.

3529. By the SPEAKER: Petition of the Junior Order of United American Mechanics, State Council of New Jersey, Trenton, N. J., regarding the appointment of a special committee of the Senate and House to investigate and determine, in their opinion, the origin and development of the stars and stripes flag; to the Committee on the Library.

3530. Also, petition of the National Social Security Protective Association of America, relating to taking care of citizens because of the failure of banks and building and loan associations; to the Committee on Ways and Means.

3531. Also, petition of the Council of American Mariners, New York, N. Y., concerning the Panama Canal tolls; to the Committee on Ways and Means.

SENATE

TUESDAY, DECEMBER 7, 1937

(Legislative day of Tuesday, November 16, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

RUSH D. HOLT, a Senator from the State of West Virginia, appeared in his seat today.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, December 6, 1937, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. LEWIS. I note the absence of a quorum, and ask for a roll call.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Connally	King	Pittman
Andrews	Copeland	La Follette	Pope
Ashurst	Davis	Lee	Radcliffe
Austin	Donahay	Lewis	Reynolds
Bailey	Duffy	Lodge	Russell
Bankhead	Ellender	Logan	Schwartz
Barkley	Frazier	Loneragan	Schwellenbach
Berry	George	Lundeen	Sheppard
Bilbo	Gerry	McAdoo	Shipstead
Borah	Gibson	McGill	Smith
Bridges	Gillette	McKellar	Steiwer
Brown, Mich.	Glass	McNary	Thomas, Okla.
Brown, N. H.	Graves	Miller	Thomas, Utah
Bulkeley	Green	Minton	Townsend
Bulow	Guffey	Moore	Truman
Burke	Harrison	Murray	Tydings
Byrd	Hatch	Neely	Vandenberg
Byrnes	Hayden	Norris	Van Nuys
Capper	Herring	Nye	Wagner
Caraway	Hitchcock	O'Mahoney	Walsh
Chavez	Johnson, Calif.	Overton	White
Clark	Johnson, Colo.	Pepper	

Mr. WHITE. I announce the unavoidable absence of my colleague the senior Senator from Maine [Mr. HALE]. My colleague is suffering from a slight cold, and, during these inclement days, it seems prudent that he should stay inside.

Mr. LEWIS. I announce that the Senator from Washington [Mr. BONE] and the Senator from Delaware [Mr. HUGHES] are absent from the Senate because of illness.

The Senator from New Jersey [Mr. SMATHERS] is detained because of illness in his family.

My colleague the junior Senator from Illinois [Mr. DIETERICH] is detained in Springfield, the capital of the State of Illinois, on official business.

The Senator from Connecticut [Mr. MALONEY], the Senator from Montana [Mr. WHEELER], and the Senator from Nevada [Mr. McCARRAN] are necessarily detained.

I ask that this announcement go in the RECORD for the day.

Mr. BARKLEY. Mr. President, in addition to the announcement just made, I wish to announce that members of the Banking and Currency Committee are engaged in holding hearings on the housing measure.

The VICE PRESIDENT. Eighty-seven Senators having answered to their names, a quorum is present.

PETITIONS

The VICE PRESIDENT laid before the Senate a letter in the nature of a petition from Frank White, of Atlanta, Ga., praying that an old-age pension of \$30 per month be granted to ex-slaves, which was ordered to lie on the table.

Mr. LONERGAN presented resolutions of the Board of Selectmen of South Hadley; the Rod, Gun, and Revolver Club of Russell; the Holyoke Chapter of the Connecticut River Antipollution Association, and the Rod and Gun Club of East Long Meadow, all in the State of Massachusetts, favoring the enactment of the so-called Loneragan-Vinson bill, being the bill (H. R. 2711) to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes, which are ordered to lie on the table.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LODGE:

A bill (S. 3100) for the relief of Carl G. Lindstrom; to the Committee on Claims.

By Mr. SHEPPARD:

A bill (S. 3101) to authorize the Secretary of War to grant a right-of-way for highway purposes upon and across Kelly Field, a military reservation, in the State of Texas; to authorize an appropriation for construction of the road and necessary fence lines; to the Committee on Military Affairs.

A bill (S. 3102) for the relief of the estate of Raquel Franco (with accompanying papers); and

A bill (S. 3103) for the relief of the Comision Mixta Demarcadora de Limites Entre Colombia y Panama (with accompanying papers); to the Committee on Claims.

A bill (S. 3104) for the payment of claims of citizens of the United States against the Republic of Mexico; to the Committee on Foreign Relations.

By Mr. O'MAHONEY:

A bill (S. 3105) to amend the Commodity Exchange Act, as amended, to extend its provisions to wool and other agricultural commodities traded in for future delivery; to the Committee on Agriculture and Forestry.

By Mr. DAVIS and Mr. GUFFEY:

A joint resolution (S. J. Res. 236) authorizing the President to invite foreign countries to participate in the ceremonies to commemorate the one hundred and fiftieth anniversary of the national ratification of the Constitution of the United States in Philadelphia, Pa., June 17 to 21, 1938; to the Committee on Foreign Relations.

AGRICULTURAL RELIEF—AMENDMENTS

Mr. McAdoo submitted an amendment and an amendment in the nature of a substitute, Mr. AUSTIN and Mr. POPE each submitted an amendment, and Mr. BANKHEAD submitted three amendments intended to be proposed by them, respectively, to the bill (S. 2787) to provide an adequate and balanced flow of the major agricultural commodities in